

**PETITION TO THE COUNTY OF SANTA CRUZ  
TO FORM THE SANTA CRUZ MOUNTAINS WINE IMPROVEMENT DISTRICT**

We petition you to initiate proceedings to form the Santa Cruz Mountains Wine Improvement District in accordance with the Property and Business Improvement District Law of 1994, Streets and Highways Code section 36600 et seq., for the purpose of providing services as described in the summary of the Management District Plan attached hereto as Exhibit A.

**Business Establishment & Address**

**Business Owner**

Gali Vineyards Inc

Janice Gali

21 W Main St. Los Gatos, CA 95030. 362 Old Smith Rd. Watsonville, CA 95076

**The undersigned is the business owner or the authorized representative of the business owner and is the person legally authorized and entitled to sign this petition.**

Janice Gali

President

Owner/Owner Representative Name (printed)

Title

DocuSigned by:

*Janice Gali*

7/22/2025

Owner/Owner Representative Signature

Date

A complete copy of the Management District Plan will be furnished upon request. Requests for a complete copy of the Management District Plan should be made to:

Santa Cruz Mountains Winegrowers Association  
Keikilani McKay, Executive Director  
335 Spreckels Drive, Suite B  
Aptos, California 95003  
(831) 685-8463

**EXHIBIT A**  
**MANAGEMENT DISTRICT PLAN SUMMARY**

- Location:** The Santa Cruz Mountains Wine Improvement District (SCMWID) includes all wineries, existing and in the future, located generally within the boundaries of the cities of Santa Cruz, Saratoga, Scotts Valley, Capitola, and Watsonville, the towns of Los Gatos, Portola Valley, and Woodside, and portions of the unincorporated areas of the Counties of Santa Cruz, Santa Clara, and San Mateo as shown on the map below and as described in the detailed boundary description included herein as Exhibit B.
- Services:** The SCMWID is designed to provide specific benefits directly to payors by increasing winery sales and revenue therefrom. Marketing, brand awareness, business improvement, and special projects efforts will promote assessed wineries in the SCMWID to increase winery sales revenue.
- Budget:** The total SCMWID annual assessment budget for the initial year of its five (5) year operation is anticipated to be approximately \$575,000. A similar budget is expected to apply to subsequent years, but this budget is expected to fluctuate as sales do, as wineries open and close, and if the assessment rate is increased or decreased.
- Cost:** The annual assessment rate is one percent (1%) of gross direct to consumer sales revenue on winery sales. Beginning in the second year of the SCMWID term, the assessment rate may be increased by the Owners' Association to a maximum rate of two percent (2%) of gross direct to consumer sales revenue on winery sales. The maximum increase or decrease in a year shall be no more than one-half of one percent (0.5%). If the assessment rate is increased, it may subsequently be decreased but shall not be decreased below a minimum of one percent (1%) of gross direct to consumer sales revenue on winery sales.
- Based on the benefit received, assessments will not be collected on wholesale, purchases made outside of the state of California, or purchases made pursuant to contracts executed prior to November 1, 2025. Revenue generated from the SCMWID is intended only to provide programs and services for assessed wineries, all of which are located in California. Sales made outside of the state of California are not subject to assessment due to a lack of benefit. Assessment dollars will not be spent on any programs or activities to benefit individual wineries outside of the state of California. Assessment dollars may be spent outside of California to elevate the notoriety of the Santa Cruz Mountains as a premier winery destination with the desired outcome of increased in-person visitation to wineries paying the assessment.
- Collection:** The County of Santa Cruz (County) or a third-party collection agency shall be responsible for collecting the assessment on a quarterly basis (including any delinquencies, overdue charges and interest) from each assessed winery located in the boundaries of the SCMWID. The County or a third-party collection agency shall take all reasonable efforts to collect the assessments from each assessed winery.
- Duration:** The SCMWID will have a five (5) year life, beginning on November 1, 2025, or as soon as possible thereafter, and ending five (5) years from its start date. After five (5) years, the SCMWID may be renewed pursuant to the Property and Business Improvement District Law of 1994, Streets and Highways Code section 36600 et seq. (94 Law) if winery owners support continuing the SCMWID programs.
- Management:** The Santa Cruz Mountains Winegrowers Association shall serve as the Owners' Association to provide improvements and activities for the SCMWID. The Owners' Association is charged with managing SCMWID funds and implementing programs and must provide annual reports to the County.



## **EXHIBIT B**

### **SCMWID BOUNDARY DESCRIPTION**

The SCMWID includes all wineries, existing and in the future, located generally within the boundaries of the cities Santa Cruz, Saratoga, Scotts Valley, Capitola, and Watsonville, the towns of Los Gatos, Portola Valley, and Woodside, and portions of the unincorporated areas of the Counties of Santa Cruz, Santa Clara, and San Mateo. Specifically, the boundaries of the SCMWID are as follows:

Starting at the intersection of State Route 84 and State Route 1, the boundaries proceed south along the State Route 1 until intersecting the AVA boundaries at 122°16'44" W, 37°6'16" N. It follows the boundaries of the AVA boundaries until intersecting the City of Santa Cruz where it goes south along the city boundary line until intersecting with the county line of Santa Cruz County.

It proceeds along the county line until intersecting with State Route 1 where it heads north until intersecting State Route 152. It follows along State Route 152 until 121°41'38" W, 36°59'29" N where it starts to follow the AVA boundary line heading north. When it intersects with the city limits of San Jose it goes south and west around the city limits, until continuing northwest along the AVA lines.

When it intersects with Cinnabar Hills Road at 121°49'7" W, 37°10'28" N. It follows Cinnabar Hills Road and joins Bertram Road where it continues north merging with Almaden Road and continuing to head north. Upon intersecting with the city limits of San Jose and proceeding northwest until intersecting with W Valley Freeway and heading northwest along the W Valley Freeway until intersecting with the boundary line for the city of Campbell and heading south-west until rejoining the boundary for San Jose and heading west. It jumps and continues west when intersecting with the City of Cupertino. At 122°4'21" W, 37°18'2" N the boundary line joins the AVA and follows the AVA northwest. It avoids all areas that are in the city of Cupertino and heads northwest.

At 122°5'17" W, 37°19'41" N it begins to follow the boundaries of the city of Cupertino again, heading north until merging with Interstate 280 and heading northwest along the line. Upon intersecting the city of Palo Alto, it follows the city boundary line south and around until the coordinates of 122°12'6" W, 37°21'30" N, where the boundaries follow the AVA boundaries heading north until intersecting Alpine Road, where it proceeds northeast. When intersecting with Golden Oak Drive it heads west until turning into Peak Lane and heading south at the intersection of Peak Lane and Cervantes Road and heading east on Cervantes Road.

At the intersection with Westridge Drive it heads south until intersecting with Portola Road. It travels along Portola Road northwest until turning southwest at the intersection of Wayside Road. Once Wayside Road intersects with the AVA boundaries it turns and following the AVA boundaries north. Once it intersects with Woodside Road and Interstate 280 the boundaries head north along Woodside Road until intersecting with Fernside Street where it heads northwest along the city boundary line for Redwood City. At 122°16'46" W, 37°27'37" N, it stops following Redwood City's boundary line and proceeds southwest along the boundary line for the city of Woodside. Once it intersects with Interstate 280 it proceeds northwest along the interstate until intersecting with State Route 92 where it heads west along the highway until reuniting with the AVA boundaries and proceeding southwest along the AVA boundary line to the starting point.

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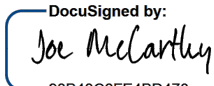
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Business Establishment & Address

Business Owner

McCarthy Family Estate Vineyard	Joe McCarthy
20108 Foster Rd, Los Gatos 95030	

The undersigned is the business owner or the authorized representative of the business owner and is the person legally authorized and entitled to sign this petition.

Owner/Owner Representative Name (printed)	Title
<div>DocuSigned by:  93B43C68FE4BD470...</div>	9/17/2025
Owner/Owner Representative Signature	Date

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