
PROJECT LOCATION

REGIONAL SETTING

The Property is located west of Healdsburg within the Gualala River watershed and just west of some of Sonoma County's most desirable wine country. It accounts for approximately 10 percent of the Gualala River watershed, or about 30 square miles out of a total of 298 square miles. The Property is generally bounded by the Sonoma Mountains to the east; Mendocino County to the north; Stewarts Point-Skaggs Springs Road and Annapolis Road to the south and the Pacific Ocean 3 miles to the west (see Figure 1). The Russian and Gualala Rivers are prominent landscape features in much of this part of the County.

Agriculture is one of the main industries in the County, providing a significant economic base to the County. In 2004, the leading agricultural commodities in terms of gross dollar value were grapes, wine, milk, livestock, and poultry. The County has been a leader in the production of grapes since the late 1960s. The full annual economic impact of wine and vineyards in the County is estimated at \$8.2 billion, which accounts for approximately 35,000 jobs (MKF Research Monthly, April 2005, Economic Impact of Wine and Vineyards in Sonoma County).

LOCAL SETTING

The Project location is sparsely populated and is located near the rural communities of Annapolis and Gualala (see Figure 1). The Property itself is surrounded by a mix of smaller and larger parcels ranging in size from 40 acres to greater than 300 acres, many with residences.