REPORT ON THE REVIEW AND DEVELOPMENT OF REGULATIONS PERTAINING TO WINE TASTING FACILITIES

Pursuant to Government Code Section 65858(d)

January 8, 2018

Background

The City Council has requested a review and discussion of the City's regulations pertaining to Wine Tasting Facilities. This review encompasses potential changes in the Development Code, including both permitting options and potential operational requirements and related matters. To assure that any activities and uses related to Wine Tasting Facilities comply with any changes in the regulations that the City Council may choose to implement, the Council, by a 4/5ths vote, on December 4, 2017, adopted an urgency ordinance (Ordinance No. 13-2017) imposing a temporary moratorium on new Wine Tasting Facilities proposed within the Plaza Retail Overlay District, pending the development, review, and possible adoption of new regulations. As required by section 65858(d) of the California Government Code, this report summarizes the measures taken to alleviate the conditions that led to the adoption of the interim ordinance.

Summary of Measures Taken to Date

<u>May 2017:</u> The City Council identified the growing presence of wine tasting facilities in the downtown as an issue for community discussion.

<u>May 2017 to Date:</u> City staff developed information and analysis on Wine Tasting Facilities, including the following:

- Historical Review of Sonoma's Downtown and transitions underway in downtowns in general;
- Previous downtown regulations including protection of ground floor retail space around the Plaza to limit office uses;
- Definitions and Alcoholic Beverage Control License Differences for Wine Tasting Facilities and Wine Bars:
- Existing City Regulations for Wine Tasting Facilities and Wine Bars;
- Comparison statistics and maps for the Downtown;
- Wine Industry Trends and Feedback from Local Wine Tasting Businesses;
- Regulatory Examples from other communities;
- Sales tax information:
- Law enforcement issues.

<u>September 18, 2017.</u> The City Council conducted a study session on Wine Tasting Facilities and invited public input.

October 2, 2017. The City Council held an initial review of an urgency ordinance establishing an interim moratorium on Wine Tasting Facilities.

<u>December 4, 2017.</u> The City Council adopted an urgency ordinance placing interim restrictions on the establishment of Wine Tasting Facilities in the Plaza Retail Overlay District pending the consideration and study of zoning and other land use regulations pertaining to Wine Tasting Facilities, including findings that the adoption thereof is exempt under Sections 15308, 15060(c)(2) and 15061(b)(3) of the state CEQA Guidelines

Next Steps

- 1. At its meeting of January 17, 2018, the City Council will consider extending the urgency ordinance.
- 2. As directed by the City Council, staff is preparing a work plan for the development, review, and possible adoption of updated regulations on Wine Tasting Facilities, with the objective of completing this task by September 30, 2018.