

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

September 13, 2018

Background

In 2017 the City Council requested a review and discussion of the City's regulations pertaining to wine tasting rooms and associated activities. Staff has been working on this effort for the last year. The review encompasses potential changes in the Development Code, including both permitting options for tasting rooms, location regulations, as well as potential operational requirements and related matters. To assure that any activities and uses related to tasting rooms undertaken while these issues and potential regulations are studied comply with any changes in the regulations that the City Council may choose to implement, the Council, by a 4/5ths vote, on December 4th, 2017, adopted an urgency ordinance (Ordinance No. 13-2017) establishing interim restrictions on the establishment of tasting rooms in the Plaza Retail Overlay District pending the consideration and study of zoning and other land use regulations pertaining to tasting rooms. Current tasting rooms were grandfathered in and are exempt from the moratorium as were five wine tasting facilities that were in process with building permits or business license approved or in process.

Because upon its initial adoption a moratorium remains in effect for a period of only 45 days, the City Council subsequently voted to extend the moratorium until September 30, 2018 at its meeting of January 17, 2018. This report summarizes the measures taken to date to alleviate the conditions that led to the adoption of the interim ordinance.

Summary of Measures Taken to Date

September 18, 2017 -- City Council Study Session

The City Council held a Study Session to consider a variety of information and collectively learn more about tasting facilities. In the lead-up to this item, staff, with the assistance of the Sonoma Valley Chamber of Commerce, performed research and outreach, including an updated business inventory of the downtown area, surveying the regulations employed by other communities, and meeting with local tasting facility business owners. The Study Session provided information on several aspects of the issue for consideration by the City Council and community. Subsequent to the study session staff continued to gather information and explore regulatory options.

February 8, 2018 -- Planning Commission Study Session

The Planning Commission held a study session in order to gain an understanding of the issues associated with Wine Tasting Facilities in Sonoma, including: 1) the City Council's discussions and directions; 2) the parameters of the moratorium; 3) the balance of uses in the downtown area, including changes since 2012; 4) trends in the wine industry; and 5) a preliminary review of regulatory options. Staff also reviewed next steps in the process, including community outreach.

April 2018 Community Outreach—Resident Drop-ins.

The City hosted two Town Hall/Resident Drop-in meetings, on Tuesday, April 3rd and Tuesday, April 17th, 2018. The sessions were intended to provide an opportunity for members of the community to express their views, ask questions, and provide suggestions on the role of wine tasting in downtown Sonoma and to obtain feedback on potentially regulatory options. Over the course of the two sessions, approximately 20 persons attended.

April 2018 Community Outreach—Meeting with Plaza Businesses

On April 13, 2018, the City and the Chamber of Commerce hosted a meeting of Plaza businesses to obtain their feedback. Approximately 35 persons attended this meeting, representing a wide range of Plaza businesses, including retail, restaurants, and tasting rooms. Comments from attendees were varied.

Additional Outreach. Staff has also consulted with the Chamber of Commerce, representatives of the Sonoma Valley Vintners and Growers Alliance, Plaza-area property owners, and local commercial real estate brokers.

June 12, 2018 -- Planning Commission Follow-up Discussion

At its meeting of June 12, 2018, the Planning Commission held a follow-up on the item in order to provide broad recommendations to the City Council.

Next Steps

At this time, City staff is recommending an extension of the Tasting Room moratorium to allow additional time to draft proposed substantive regulations for wine tasting facilities and complete the review and public hearing process with Planning Commission and the City Council.