



City of Sonoma

Agenda Item Summary

Meeting: City Council - Sep 18 2017

Department

Administration

Staff Contact

Cathy Capriola, City Manager,
David Goodison, Planning Director
Patricia Shults, Executive Director, Sonoma
Valley Chamber of Commerce

Agenda Item Title

Study Session on Wine Tasting Rooms and Related Businesses in the Downtown Area

Summary

In the course of its May goal-setting retreat, the City Council identified the growing presence of tasting rooms in the downtown as an issue for community discussion. Wine and wine-making are part of the history and identity of Sonoma and wine sales have long been an element of the downtown community. However, in recent years, the City has experienced a growing trend of wineries establishing a store-front wine-tasting presence in the Plaza and the number of wine tasting facilities has increased in recent years. In 2013/2014, the City Council examined the issue and made some policy changes.

The questions of what constitutes healthy business diversity and an appropriate balance of resident-serving and visitor-serving uses are long-standing topics of community discussion. Because community attitudes change over time, as do economic conditions, it is appropriate for the City Council as the representatives of the community to consider, periodically, whether the rules and practices in place are responsive to current conditions.

The purpose of this agenda item is to hold a Study Session to provide a variety information and collectively learn more about tasting rooms. In the lead-up to this item, staff, with the assistance of the Sonoma Valley Chamber of Commerce, has 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 room business owners. The results of this research are set forth in the attached Supplemental Report and more information will be provided in presentations at the Study Session

Recommended Council Action

Provide feedback to staff.

Alternative Actions

N/A

Financial Impact

N/A

Environmental Review

- Environmental Impact Report
- Negative Declaration
- Exempt
- Not Applicable

Status

- Approved/Certified
- No Action Required
- Action Requested

Attachments

[Wine Tasting Rooms Supplemental Report](#)

[1. 2014 Regulations](#)

[2. 2012 Tasting Room Map](#)

[3. 2017 Tasting Room Map](#)

Alignment with Council Goals:

This discussion relates to the topic of “Community Character”, one of the four focus areas identified by the City Council in its 2017-2020 Strategic Plan.

Compliance with Climate Action 2020 Target Goals:

N/A

CC:

Maureen Cottingham, Sonoma Valley Vintners and Growers

SUPPLEMENTAL REPORT

Study Session on Wine Tasting Rooms and Related Businesses in the Downtown Area

For the City Council meeting September 18, 2017

1. Introduction

Wine and wine-making are part of the history and identity of Sonoma and wine sales have long been an element of the downtown community. However, in recent years, the City has experienced a growing trend of wineries establishing a store-front wine-tasting presence in the Plaza and the number of wine tasting facilities has increased in recent years.

In its May goal-setting retreat, the City Council identified the growing presence of tasting rooms in the downtown as an issue for community discussion. The Council directed staff to bring a study session forward in September. The information below has been compiled to provide some background and context for this discussion. More information will be provided during presentations at the Study Session.

2. Historical View — The Changing Role of Downtown(s)

Sonoma's unique downtown is critical to the identity of the community. Over the years, the downtown has undergone a series of changes and shifts in response to larger economic and technological forces.

The Sonoma Plaza dates to the town's founding as Mexican Pueblo in 1835, in which the Plaza and the grid-iron street system were mapped out under the direction of General Vallejo. Key structures that are landmarks today soon followed, including the Mission San Francisco de Solano and the Barracks. Commercial structures soon followed, such as the Blue Wing Inn, which opened for business in 1848. (At the same time, the local wine industry was becoming established, beginning with a 14-acre vineyard associated with the Mission.) Civic buildings came later, with the construction of City Hall in 1909 and the Carnegie Library in 1912. In this era, Sonoma and Sonoma Valley attracted many tourists, resulting in the construction of numerous hotels and resorts. However, the Plaza as a park was somewhat neglected and it was not until the 1930's that it was landscaped in the manner that we know it today, through a series of beautification projects, including the construction of the Grinstead Amphitheater and the Italian Fountain. It was also in the 1930's that the Sebastiani (now Cuneo) apartments and the Sebastiani Theater were constructed. By that point, the Plaza looked much as does today, although of course there have been changes. Notably, in 1956 the 30-room Union Hotel and adjoining meeting hall (the latter of which had since been converted to commercial uses, including a car dealership) was torn down to make way for the Bank of America building and its parking lot.

Sonoma has been somewhat insulated from change due to its geographic circumstances, including a relatively small population and its distance from the Highway 101 corridor, but eventually larger economic trends have had their effect. For example, although the first shopping center in city limits (Valleymart) was built in 1956, it was not until the 1970's that Sonoma's downtown began to follow national trends by transitioning away from serving as the "main street" providing for the basic retail and service needs of its residents, as these uses migrated to shopping centers. At that time, the Plaza was populated with hardware stores, an office supply

store, a butcher shop, a pharmacy, and a grocery store, but by the early 1980's these uses had migrated to other locations or had closed their business. The "Food City" grocery store is emblematic. Located on the east side of the Plaza at 452 First Street East, it had replaced a roller skating rink (the "Rollertorium", constructed in 1945). When Food City closed in the 1980s, it was simply too small as both as an independent store and in the size of its building area to compete with grocery store chains. Signaling the downtown's shift to specialty retail, the building was subsequently renovated and subdivided into multiple commercial tenant spaces and is now known as the "Mercato".

State-mandated seismic building upgrades that occurred ~~in the~~ in the later 1990s through the early 2000s affected many commercial buildings in the downtown. At least 25 commercial buildings in the downtown were rehabilitated under this program. While in some cases the work was accomplished with minimal disruption to tenants, in other cases buildings were closed for construction for extended periods, leading to tenant turnover.

More recently, with the growing breadth and convenience of on-line shopping, brick-and-mortar retail has been subject to further stress and change, which has also been reflected in the make-up of downtown Sonoma and downtowns everywhere. The world of Amazon and on-line next-day delivery for all types of products is transforming how we shop and also our communities. For example, during the 1990's, there were at least five new and used bookstores in Sonoma. Now there is only one. There were two music stores and now there are none. Similar changes have been experienced in communities throughout the country. At the same time, the number of restaurants has grown and new retail uses have been introduced.

Other factors shaping the composition of downtown businesses include the following:

- As more purely local-serving retailers and services transitioned out of the downtown, remaining and replacement businesses became more reliant on tourism or on specialty shopping.
- Sonoma's history of tourism is connected to our historical assets. Sonoma's history and its legacy of historic structures is unique and it differentiates the downtown from other commercial settings. The Plaza and the State Park provide a unique atmosphere which is attractive to both residents and tourists.
- Commercial rents on the Plaza have also increased in recent years. While some rent increases are a natural response to improved economic conditions, the ability of the tasting room facilities to pay a higher rent than other retail uses, has also cause the increase.

To succeed in the current environment, many brick and mortar businesses have found that they need to: (1) emphasize customer service, (2) offer unique goods and services that cannot be easily replicated on-line, and (3) provide products and services that have an authentic sense of place. Local restaurants that provide a farm-to-table experience featuring local products exemplify these trends. This approach can work extremely well in Sonoma, as the city has a rich history, embodied in the Plaza, and is centered within an extraordinary agricultural environment. But it can also lead to products and price-points that may be off-putting or simply not of interest to local residents as part of a regular shopping experience.

3. Previous Downtown Regulations

This is not the first time that the City has reviewed the composition of downtown businesses, which in two instances led to changes in zoning regulations.

- A. Plaza Retail Overlay Zone. In 2005, the City Council held a series of discussions regarding the proliferation of ground-floor office uses in the Plaza, with real estate offices being of particular concern. The Council was concerned that an over-abundance of ground-floor office uses would detract from the retail and pedestrian character of the Plaza. Ultimately, the Council directed that an overlay zone be established (known as the “Plaza Retail Overlay Zone), within which ground-floor office uses would be subject to Use Permit review, including special findings to support approval.
- B. Formula Business Ordinance. In 2012, the City Council adopted regulations addressing formula businesses (defined “as a retail, restaurant, or personal services business with 10 or more substantially similar businesses, regardless of location or ownership.”) These regulations, which were developed with the assistance of an ad-hoc committee that included business representation, restrict the introduction of formula businesses in the downtown area as follows:
 - Within the Plaza Retail Overlay District, Large-scale Formula Restaurants (chains of 250 or more) are prohibited.
 - A Conditional Use Permit is required for any Formula Business to be located within the Historic Overlay zone, including the Plaza Retail Overlay District, with the exception of tenant spaces within specified shopping centers. Findings related to balance, community character, and compatibility must be made in order to grant the Conditional Use Permit.

This ordinance has come into play several times since its adoption. For example, both Peet’s and Dutch Brothers Coffee were subject to use permit review, including consideration of the additional findings required for approval of a formula business. Mary’s by the Slice and Williams-Sonoma were found to be distinct enough from the main business model of those companies that they were not considered to be formula businesses as defined in the ordinance.

These ordinances show that local land use regulations can be effective in regulating the composition of downtown businesses. However, it is also the case that these ordinances have, by design, narrowed the range of available options for downtown commercial property owners

4. Background – Wine Tasting Facilities and Wine Bars

In order to understand wine tasting facilities and wine bars, some background information and history is important.

ABC License Types: Wine tasting facilities and wine bars are subject to regulation by the State Department of Alcoholic Beverage Control (ABC), which requires licenses for any facility or business involving the sale of alcoholic beverages. While the ABC has a wide variety of license types, it does not offer one specific to “wine tasting.” There are two key licenses that are important to understand.

- *Type 02 License – Tasting Room / “Duplicate License”*: ABC allows a winery, which operates with Type 02 license, to operate an off-site tasting room under their existing Type 02 license. This is commonly referred to as a “duplicate license”. A winery operating with a Class 02 license may only offer its own wines for tasting and for off-site consumption. A variant of this approach involves a collective of wineries sharing an off-site location. Under this scenario, tasting and wine sales from multiple wineries may occur within the shared tenant space, but these are limited to wares produced by the participating wineries.
- *Type 42 License – Wine Bar*: A wine tasting business that is not associated with a specific winery and wishes to provide tastings from multiple wineries and subsequent purchase for on or off site consumption typically obtains a Type 42 license. It is important to note that a Type 42 license authorizes the sale of beer and wine for consumption on or off the premise and is not limited to just “wine tasting.” In essence, a Type 42 license authorizes a business to operate like a bar or tavern (although limited to sales of beer and wine), although they may call themselves a “tasting facility.”

Existing City Definitions and Regulations: In Sonoma, tasting rooms as a land use were traditionally regarded as a form of “General Retail” sales. In the Commercial zoning district, which encompasses the downtown, this meant that tasting rooms have been treated as a permitted use, meaning that a use permit review has not been required. Over the course of 2013/14, the City Council, along with the Planning Commission, held a series of discussions concerning tasting rooms and various options for regulating them. Ultimately, the Council decided upon the following directions:

- A. Established definitions in the Development Code for wine tasting facilities and for wine bars/taprooms.
- B. Established operating standards applicable to new wine tasting facilities (in essence, facilities operating under a Type 02 ABC license, including limits on food service (prepackaged only), limits on hours (11 a.m. to 10 p.m.), and limits on wine club events (no more than 26 per year and 2 per week).
- C. Identified wine tasting facilities as a permitted use in Commercial zoning districts, with a requirement for Use Permit review in the Mixed Use zone.
- D. Identified wine bars/taprooms as a conditionally-permitted use in Commercial zoning districts. Wine bars/taprooms are required to obtain a Use Permit.

An ordinance implementing these directions was prepared, reviewed by the Planning Commission, and adopted by the City Council in 2014. The definitions and operational standards established by this ordinance are attached.

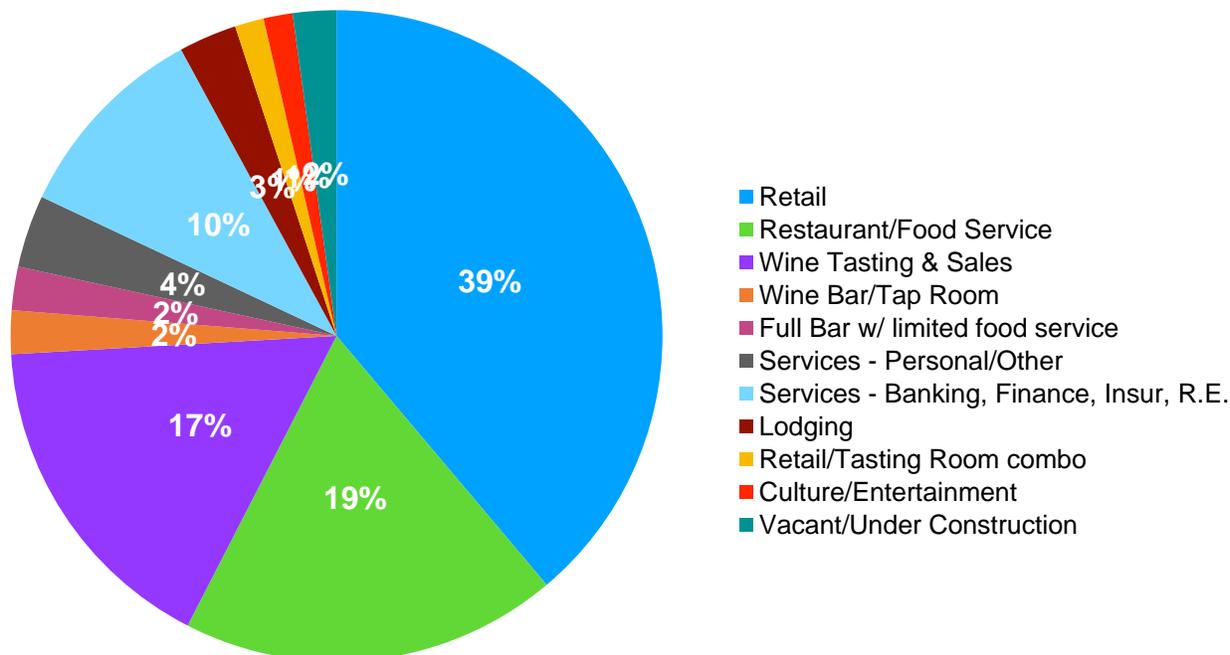
There is no city approval process for wine tasting facilities in the City of Sonoma. While a new tasting room facility may obtain a building permit and will obtain a business license, those City processed are not part of a preapproval use review.

5. Tasting Rooms in the Downtown: 2012 and 2017

The City has contracted with the Chamber of Commerce for a number of years to provide business development and economic development work on behalf of the City. The Chamber of Commerce has maintained a database of businesses located within the Plaza Retail Overlay Zone (PROZ), which is a subset of the downtown commercial district.

Chart A below shows the 2017 composition of businesses within the Plaza Retail Overlay Zone.

Chart A -- 2017 Business Composition Plaza Retail Overlay Zone



In 2012, the Chamber inventory identified a total of 138 ground-floor businesses within the PROZ, of which 13 were purely wine-tasting, representing approximately 9% of the ground-floor businesses within the zone, while another three were a combination of wine tasting and other retail. (Another five wine tasting facilities were located immediately outside of the PROZ, but within the downtown area.)

Currently in 2017, the number of pure wine tasting facilities within the PROZ has grown to 23, now representing approximately 17% of the ground-floor businesses within the zone and the third largest category of use. As of July 2017, retail remains the largest business category in the PROZ, at 39%, but retail is down from 46% since the 2012 baseline inventory. Restaurants/Food Service businesses represent 19% of the inventory, a slight increase from 2012. Total services (person and financial) comprise 14% of spaces, down from 17% in the baseline. Only four of the 138 ground floor spaces in the PROZ are occupied by “formula businesses”, a decrease of one since the 2012 baseline. The Plaza vacancy rate remains very low at 2%.

Business Composition within the Plaza Retail Overlay Zone 2012 and 2017					
Business Type	2012 (#/%)		2017 (#/%)		% Change
Retail	63	46%	54	39%	-7%
Restaurant/Food Service	21	15%	26	19%	3%

Wine Tasting & Sales	13	9%	23	17%	7%
Wine Bar/Tap Room	3	2%	3	2%	0%
Full Bar	3	2%	3	2%	0%
Services - Personal/Other	12	9%	5	4%	-5%
Services - Banking, Finance, Insur, R.E.	11	8%	14	10%	2%
Lodging	4	3%	4	3%	0%
Retail/Tasting Room combo	3	2%	2	1%	-1%
Culture/Entertainment	3	2%	2	1%	-1%
Vacant/Under Construction	2	1%	3	2%	1%
TOTAL	138		139		

Another way to view the history of tasting rooms is through GIS maps showing the location of tasting rooms in 2012 and 2017. Staff has prepared maps showing the location of downtown wine tasting facilities in relation to the PROZ for 2012 and 2017 (attached). These maps are broader than the PROZ. As shown on the maps, in many blocks of downtown there has been little to no change in the number of tasting rooms, while other areas have experienced a clustering. Along with the change in the number of tasting rooms, there are some underlying trends to be considered:

- In years past, wine tasting business tended to displace office uses or fill long-vacant tenant spaces that had proven difficult to rent during the recession and its aftermath. Now, we are seeing wine tasting facilities filling spaces that have traditionally been retail spaces.
- With some notable exceptions, such as the former Sonoma Enoteca (now Pangloss), wine tasting facilities were typically located in smaller tenant spaces and in interior areas, such as “Vine Alley” in Sonoma Court shops. Recently, wine tasting facilities are occupying larger tenant spaces and spaces directly adjoining the Plaza.
- Based on the outreach conducted for this study session, staff understands that wine tasting facilities comprise an increasing proportion of businesses looking for space on the Plaza.
- It should also be noted that in some cases, new facilities represent wineries located outside of Sonoma Valley. Staff also understand that there is interest from more wineries from outside of the Sonoma Valley to locate on or new the Plaza. In staff’s view, this is significant, because tasting rooms that represent wineries outside of Sonoma Valley are not as connected to the community and do not support local agriculture and our local Sonoma viticulture community.

6. Wine Industry Trends & Feedback from Local Wine Tasting Businesses

In preparation for this study session, staff did some research regarding the wine industry. Silicon Valley Bank's "State of the Wine Industry 2017" speaks to a shift in the industry with many small producers utilizing the expanded arena of direct shipping and direct marketing to reach consumers. For many small, family wineries, direct sales to consumers is an economic necessity and a growing portion of their business. Figure 7, below, from the above-stated report, illustrates its finding that "Direct-to-consumer sales are now a large and critical part of a family winery's revenue base". The growth in wine tasting facilities in many communities in California signals this shift in the business model.



In addition to the growing importance of direct sales, smaller wineries may not have tasting facilities and in Sonoma County (and elsewhere), estate-based wineries are facing increasing restrictions on tasting rooms. For all of these reasons, store-front wine-tasting in commercial locations has become increasingly attractive. (Staff understands that tasting rooms are also looking for opportunities in the Eighth Street East area.) There is also a shift from a traditional tasting bar to more tailored and special tasting experiences with different venues and approaches.

As part of the lead-up to this study session, staff also met with representatives of local wine tasting businesses and the Sonoma Valley Vintners and Growers. The purpose of the meeting was to discuss the upcoming study session, to hear the perspectives of local tasting room representatives. Staff was appreciative of the candid and collaborative conversation that took place. Below are some general themes and comments from the meeting.

- Wine tasting businesses are, for the most part, locally-owned and sell local products. The wine-making community is not an outside industry, it is part of Sonoma Valley and its history. Many of the representatives attending the meeting live and work in Sonoma, employ a local workforce, and share a deep connection to this community, including supporting other businesses and local non-profits. Tasting room experiences connect local

residents and visitors to the agriculture of Sonoma Valley, which helps support the preservation of agricultural lands and agricultural activities.

- Local residents constitute a significant proportion of wine tasting customers. (The Vintners and Growers Association will be presenting data on this.)
- The City should take steps to make it easier and less-costly for businesses to open.
- There was agreement from those attending about two key points.
 - Maintaining a diversity of businesses on the Plaza in Sonoma's downtown is important. The Plaza and Sonoma's downtown are seen as a special place to preserve.
 - Seeking a way to protect Sonoma based wines and viticulture in Sonoma tasting rooms is critical. Participants expressed interest in exploring a local sourcing requirement or preference. There were concerns about tasting room facilities that are not from Sonoma Valley increasing in number.

Staff reviewed options available to the City Council as it considers tasting rooms including a moratorium to allow time to study and determine possible regulations. A significant question was how a moratorium or future restrictions that may be adopted would affect existing tasting room businesses. Staff emphasized that any moratorium, if enacted, would not affect any existing legal wine tasting business. However, future changes in the zoning rules concerning operational requirements could affect existing business.

7. Regulatory Examples from Other Communities

Staff has performed a survey of communities having characteristics similar to Sonoma to learn how they are regulating tasting rooms. Below are the results:

Yountville: A Use Permit is required. Individual wines poured and sold must be made from a minimum of 75% of Napa County grown grapes. The City adopted a "retail diversity" policy in 2009, in which 25% of floor area must take the form of non-alcohol retail. The regulations also include limitations on pour sizes and food service.

Calistoga: A Use Permit is required. In 2015, consideration was given establishing a "retail diversity" requirement, similar to that of Yountville, but due to concerns about enforcement requirements this approach was not taken. Calistoga has a grape-sourcing requirement for Napa Valley grapes applicable to wineries, but it does not apply that requirement to store-front tasting rooms.

Carmel: A Use Permit required, with limitations on location and number, with a limit of 5 per two-block area). All wines stored, displayed, and offered for sale and tasting to be produced in winery located in Monterey County and made from at least 75% of grapes grown in Monterey County. No more than 3 use permits for tasting rooms are issued per year. Service and seating area is limited to 30% of the area of the tenant space. The maximum size of the tenant space is limited to 1,000 square feet. Companion/secondary retail is discouraged.

Healdsburg: A Use Permit required. Since 2011, there has been a "dispersion policy" of limiting tasting rooms to one per block face in the downtown area. This policy was not codified and not always followed in practice. In 2017, the Town codified the policy, but included an allowance to

make specific findings to support exceptions to it (e.g., in cases of a long-standing vacancy). Healdsburg does not have a wine-sourcing requirement.

Windsor: Wine tasting is only allowed as an accessory to a larger retail use. However, a Use Permit is not required in most Commercial zoning districts.

8. Law Enforcement

It has been the observation of the Police Chief that tasting rooms are not typically associated with DUIs or other calls for service, especially as most tasting rooms close in the early evening.

9. Options / Next Steps / Additional Information

Since this is a study session, the City Council will not be taking any formal action at this meeting. Staff believes that it is important to hear from the community at this public session and to have a full educational study session before taking any specific actions. However, at the end of the study session, staff will be looking for comments and feedback from City Council members. It is anticipated that staff will return at a future meeting for a follow-up discussion and formal direction from the City Council. In general, there are three basic options for Council consideration as we move forward:

- Take no action at this time;
- Develop updated regulations concerning wine tasting facilities; or
- Enact a moratorium on new wine tasting facilities and develop updated regulations concerning wine tasting facilities.

If the Council would like additional information when this returns for formal Council direction, it would be desirable for Council-members to outline any information requirements in their closing comments.

CITY OF SONOMA

ORDINANCE NO. 03 - 2014

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SONOMA AMENDING TITLE 19 OF THE SONOMA MUNICIPAL CODE BY ESTABLISHING DEFINITIONS AND STANDARDS FOR WINE TASTING FACILITIES AND WINE BARS/TAP ROOMS

The City Council of the City of Sonoma hereby ordains as follows:

Section 1. Amendments to "Definitions" (Title 19, Division VIII) of the Sonoma Municipal Code. Section 19.92.020, "W" (Definitions of Specialized Terms and Phrases) is hereby amended as follows:

Wine Tasting Facilities. A "Wine Tasting Facility" means an establishment licensed under a Winegrower Type 2 License issued by the California Department of Alcohol Beverage Control that sells wine and related products and enables customers to taste wine (with and without charge) on behalf of a single winery or, as a cooperative venture, multiple wineries, as a regular part of the sales process of the winery's products, either as the sole occupant of a tenant space or as part of a larger retail establishment engaged in the sale of products other than wine. Food may be provided if it is pre-prepared off-premises, or prepared by a caterer under the caterer's license either off premises or on-premises in facilities approved by the Sonoma County Department of Health Services. Food provided to the general public shall be subject to the following limitations: 1) food items are made off-premises; 2) the facilities are approved by Sonoma County Department of Health Services; 3) food items provided for consumption on-site shall be pre-packaged items made available strictly in conjunction with and ancillary to the wine tasting experience; and, 4) the establishment is not a restaurant. Nothing in this definition or elsewhere in the Development Code pertaining thereto is intended to limit the rights and obligations imposed by the Alcohol Beverage Control with regard to issuance of a Winegrower Type 2 license. Additional standards and regulations applicable to this use are found in Section 19.50.120.

Wine Bar/Tap Room. "Wine Bar/Tap Room" means an establishment licensed under a Type 42 License issued by the California Department of Alcoholic Beverage Control devoted to the sampling and sale of wine and/or beer produced by one or multiple wineries or breweries for consumption on- or off-premises. Food may be served provided that: 1) food items are made off-premises; 2) the facilities are approved by Sonoma County Department of Health Services; 3) food items provided for consumption on-site limited to cheeses, crackers, charcuterie and similar items made available strictly in conjunction with and ancillary to the wine tasting experience; and, 4) the establishment is not a restaurant. Nothing in this definition or elsewhere in the Development Code pertaining thereto is intended to limit the rights and obligations imposed by the Alcohol Beverage Control with regard to issuance of a Type 42 license. Additional standards and regulations applicable to this use are found in Section 19.50.130.

Section 19.92.020, "F" (Definitions of Specialized Terms and Phrases) is hereby amended to read as follows:

“Food and beverage manufacturing” ... May include tasting and accessory retail sales of items produced on site. **Section 2.** Amendments to “Zones and Allowable Uses” (Title 19, Section 19.10.050) of the Sonoma Municipal Code.

A. Table 2-2 (Commercial Uses and Permit Requirements) is hereby amended as follows:

<i>Allowed Uses and Permit Requirements for Commercial Zoning Districts (1)</i>	<i>Permit Required by District (2)</i>		<i>P</i> <i>Use permitted</i> <i>UP</i> <i>Use Permit required</i> <i>L</i> <i>License required</i> <i>—</i> <i>Use not allowed</i>
<i>Land Use</i>	<i>C</i>	<i>CG</i>	<i>Specific Use Regulations</i>
<i>Retail Trade</i>			
<u><i>Wine Tasting Facilities</i></u>	<u><i>P</i></u>	<u><i>P</i></u>	<u><i>19.50.120</i></u>
<u><i>Wine Bar/Tap Rooms</i></u>	<u><i>UP</i></u>	<u><i>UP</i></u>	<u><i>19.50.130</i></u>
<i>Notes:</i>			
1. See SMC 19.10.050(C) regarding uses not listed. See Division VIII for definitions of the listed land uses.			
2. New residential developments subject to the City's Growth Management Ordinance (SMC 19.94).			
3. Defined as new commercial construction or an addition to an existing commercial building, having an area of 1,000 square feet or greater.			

B. Table 2-3 (Mixed Uses and Permit Requirements) is hereby amended as follows:

<i>Allowed Uses and Permit Requirements for Mixed Use Zoning Districts (1)</i>	<i>Permit Required by District (2)</i>		<i>P</i> <i>Use permitted</i> <i>UP</i> <i>Use Permit required</i> <i>L</i> <i>License required</i> <i>—</i> <i>Use not allowed</i>
<i>Land Use</i>	<i>MX</i>		<i>Specific Use Regulations</i>
<i>Retail Trade</i>			
<u><i>Wine Tasting Facilities</i></u>	<u><i>UP</i></u>		<u><i>19.50.120</i></u>
<u><i>Wine Bar/Tap Rooms</i></u>	<u><i>UP</i></u>		<u><i>19.50.130</i></u>
<i>Notes:</i>			
1. See SMC 19.10.050(C) regarding uses not listed. See Division VIII for definitions of the listed land uses.			
2. New residential developments subject to the City's Growth Management Ordinance (SMC 19.94).			
3. Defined as new commercial construction or an addition to an existing commercial building, having an area of 1,000 square feet or greater.			

Section 3. Amendments to “Parking Standards” (Title 19, Division IV) of the Sonoma Municipal Code.

Table 4.4 of Section 19.48.040 is hereby amended as follows:

Land Use Type: Retail Trade	Vehicle Spaces Required
Appliance, building materials, furniture, bulk goods, and plant nurseries	One space for each 600 sq. ft. of gross floor area and one space for each company vehicle, plus one space for each 1,000 sq. ft. of outdoor display area.
Automobile, construction equipment, mobile home, machinery, and parts sale	One space for each 600 sq. ft. of gross floor area, plus one space for each 3,000 sq. ft. of outdoor display, service area, plus one space for each 300 sq. ft. of gross floor area for a parts department, plus one space for each three employees.
Convenience stores	One space for each 200 sq. ft. of gross floor area.
Restaurants (except fast food), cafes, cafeterias, nightclubs, taverns, lounges, wine bar/taprooms, or similar establishments for the consumption of food and beverages on the premises	One space for each four seats. For outdoor seating, no off-street parking shall be required for up to 25% of the approved number of indoor seats.
Retail sales/general merchandise	One space for each 300 sq. ft. of gross sales area, plus one space for each company vehicle, plus one space for each 1,000 sq. ft. of outdoor display area.
Wine Tasting Facilities	One space for each 300 sq. ft. of gross sales area. For outdoor seating, no off-street parking shall be required.

Section 4. Amendments to “Special Use Standards” (Title 19, Division IV) of the Sonoma Municipal Code.

Chapter 19.50 is hereby amended as follows:

19.50.120—Wine Tasting Facilities. This Section sets forth requirements for the establishment and operation of Wine Tasting Facilities in zoning districts where they are allowed pursuant to Section 19.10.050 (Allowable Land Uses and Permit Requirements). All Wine Tasting Facilities shall be subject to the following requirements:

- A. In use permit and building permit applications for any wine tasting facility, the description of the premises shall match that provided to and approved by the California Department of Alcoholic Beverage Control.
- B. On-going compliance with applicable requirements and licensing of the California Department of Alcoholic Beverage Control and the Sonoma County Health Department is required.
- C. Hours for visits by appointment and by invitation only wine functions (e.g., wine club events, marketing lunches, and wine-maker dinners) shall not exceed 8:00 a.m. to 10:00 p.m.
- D. Hours of operation for general public access shall not exceed 11 a.m. to 10 p.m.
- E. Invitation-only functions shall be limited and shall occur no more frequently than 26 times per calendar year and no more than two times per week.
- F. Outdoor seating proposed in conjunction with a tasting facility on a parcel that adjoins a residential zoning district shall be subject to use permit review.

19.50.130—Wine Bars/Tap Rooms. This Section sets forth requirements for the establishment and operation of Wine Bars/Tap Rooms in zoning districts where they are allowed pursuant to Section 19.10.050 (Allowable Land Uses and Permit Requirements).

- A. General requirements. All Wine Bars/Tap Rooms shall be subject to the following requirements:

1. In use permit and building permit applications for any Wine Bar/Tap Room, the description of the premises shall match that provided to and approved by the California Department of Alcoholic Beverage Control.
2. On-going compliance with applicable requirements and licensing of the California Department of Alcoholic Beverage Control and the Sonoma County Health Department is required.
3. Hours of operation for general public access shall not exceed 11 a.m. to 10 p.m., although more restrictive hours may be imposed through the use permit review process.

B. Additional Use Permit Findings. In addition to the findings set forth in section 19.54.040, the approval of a use permit for a Wine Bar/Tap Room shall be subject to the following additional findings of the Planning Commission:

1. The proposed use will not adversely affect the welfare of the area residents, or result in an undue concentration of establishments dispensing alcoholic beverages in the area.
2. The proposed use is located at an appropriate distance from:
 - a. Potentially sensitive or incompatible uses such as religious facilities, schools, public parks and playgrounds, and other similar uses; and
 - b. The size and proposed activity level of the use will be compatible with the uses in, and/or character of, the surrounding area.
3. The proposed use will provide a service not currently available in the area that it will serve; or, unique or unusual circumstances justify a new Wine Bar/Tap Room in a location where there are similar uses nearby.

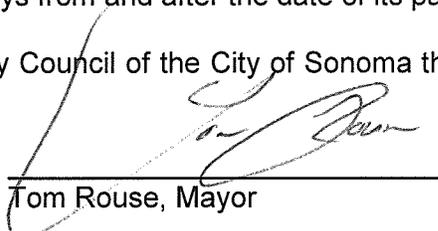
Section 5. Exemption from Environmental Review.

The amendments to the Municipal Code effected by this ordinance are exempt from environmental review under the provisions of the California Environmental Quality Act (Cal. Pub. Res. Code §§ 21000 *et seq.*, 14 Cal. Code Regs. §§ 15000 *et seq.*) pursuant to Section 15061 (b)(3) of title 14 of the California Code of Regulations, as it can be determined with certainty that there is no possibility that these proposed revisions to the Development Code, which are intended to implement directions set forth in the Housing Element and to comply with State law, will have any significant effect on the environment.

Section 6. Effective Date.

This ordinance shall become effective thirty (30) days from and after the date of its passage.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Sonoma this 23rd day of June 2014.



Tom Rouse, Mayor

ATTEST:

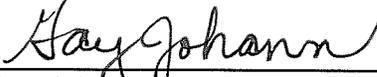


Gay Johann
Assistant City Manager / City Clerk

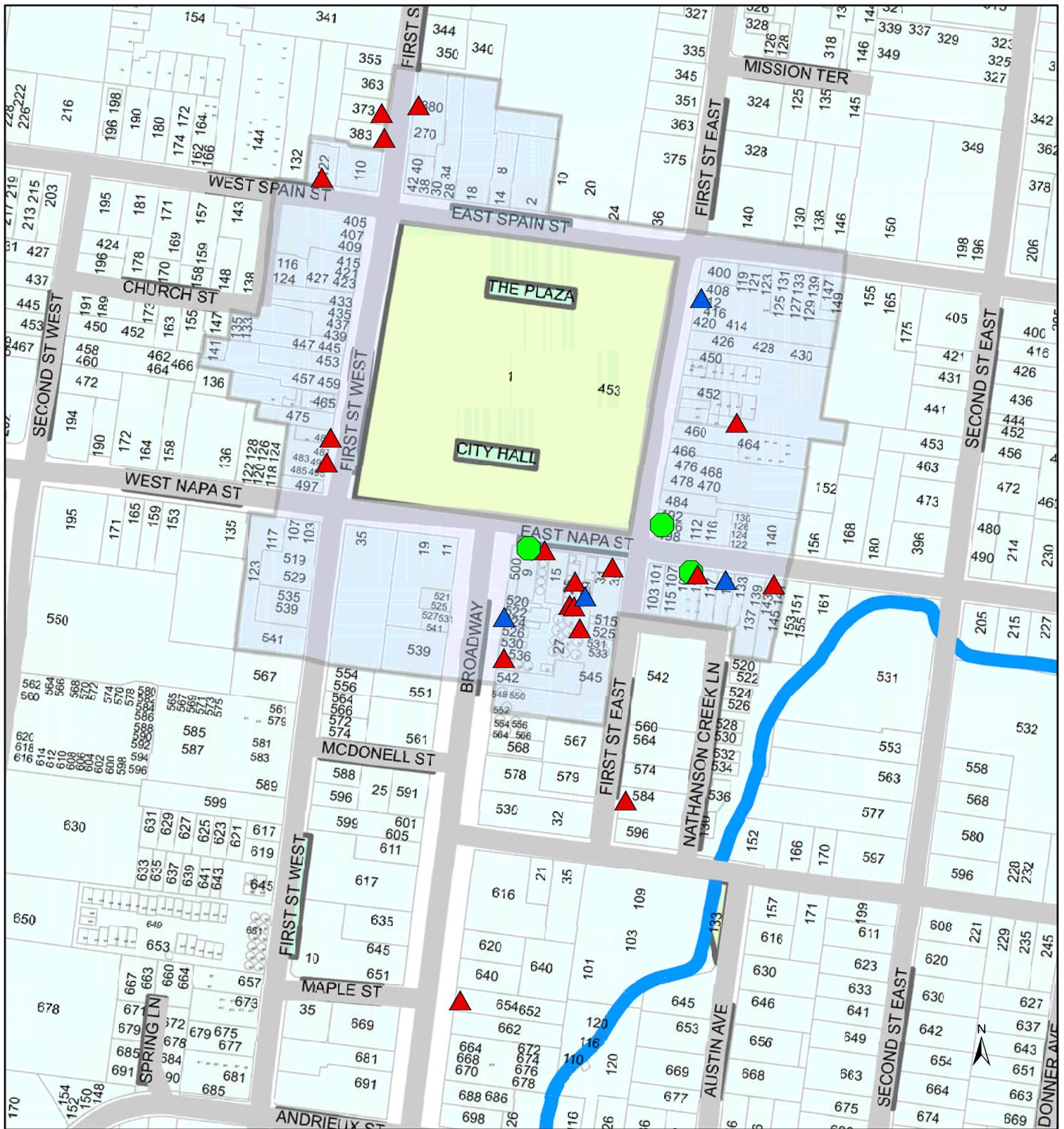
State of California)
County of Sonoma)
City of Sonoma)

I, Gay Johann, City Clerk of the City of Sonoma, do hereby certify that the foregoing ordinance was adopted on the 23rd day of June 2014 by the following vote:

AYES: Barbose, Cook, Brown, Gallian, Rouse
NOES: None
ABSENT: None



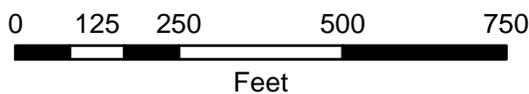
Gay Johann, City Clerk

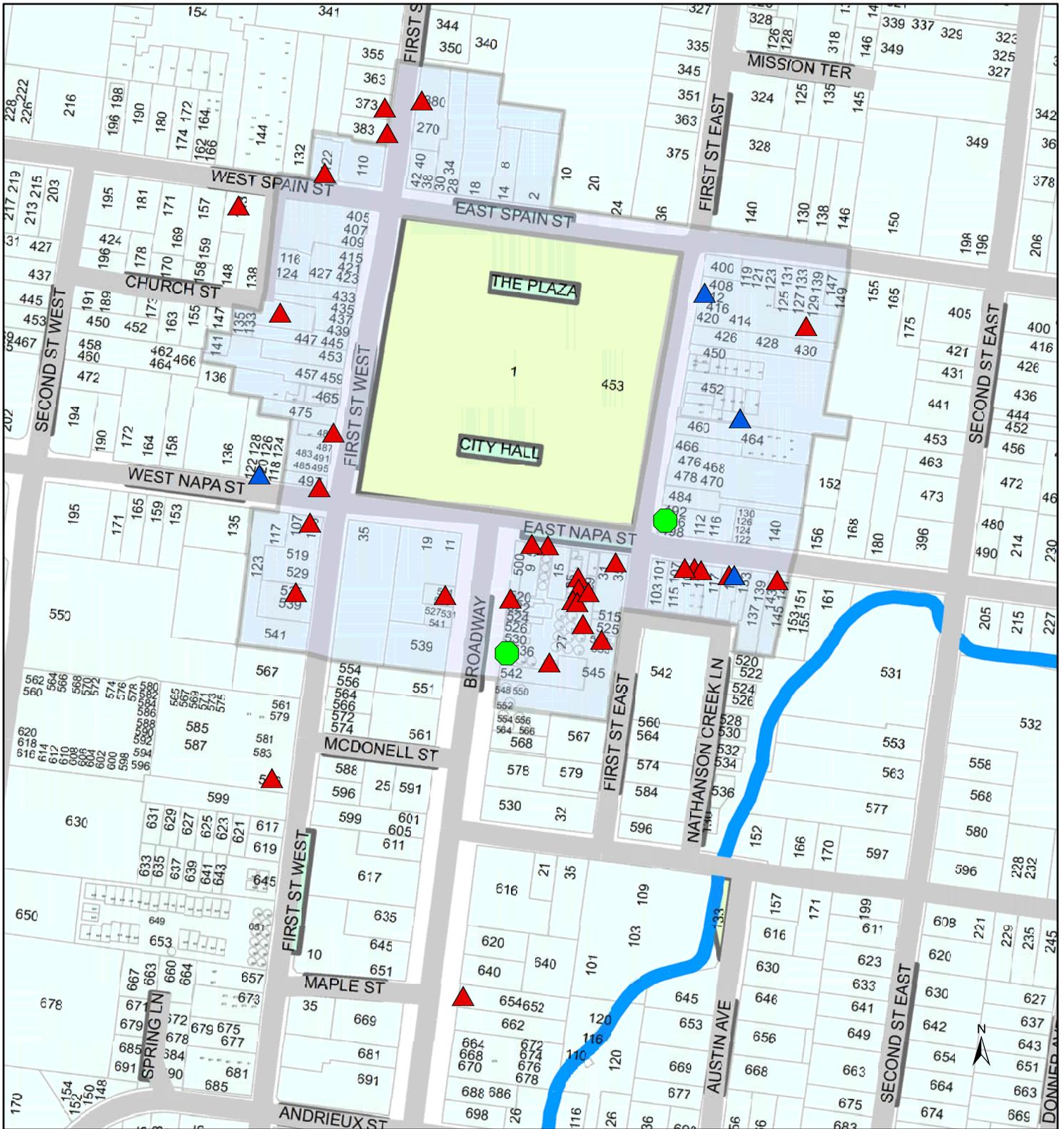


City of Sonoma Tasting Room Locations, 2012



- ▲ Wine Tasting/Sales Room
- Retail/Tasting Room Combo
- ▲ Wine Bar Tap Room
- Plaza Retail District Overlay





City of Sonoma Tasting Room Locations, 2017



- ▲ Wine Tasting/Sales Room
- Retail/Tasting Room Combo
- ▲ Wine Bar Tap Room
- Plaza Retail District Overlay

