



City of Sonoma

# Agenda Item Summary

Meeting: City Council - Dec 04 2017



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**Department**

Planning

**Staff Contact**

David Goodison, Planning Director

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**Agenda Item Title**

Continued Public Hearing - Discussion, Consideration and Possible Adoption of an Interim Urgency Ordinance Imposing a Moratorium on Wine Tasting Facilities in the Plaza Retail Overlay District and Making Findings that Said Adoption is Exempt Under CEQA pursuant to CEQA Guidelines Sections 15060(c)(2), 15061(b)(3) and 15308

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**Summary**

In its May goal-setting retreat, the City Council identified the growing presence of tasting facilities in the downtown as an issue for community discussion. Wine and wine-making are part of the history and identity of Sonoma and the wine industry has long been a part of the Sonoma community and economy. 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, but decided at that time to leave tasting rooms as a permitted use in the commercial zone, rather than establishing a Use Permit requirement.

On September 18, 2017, 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. Based upon the feedback received at the September 18th meeting, staff drafted an urgency moratorium ordinance for Council consideration as a means of allowing the City time to study and determine if regulations should be placed on tasting facilities and the options relating thereto.

The City Council initially reviewed the draft urgency moratorium ordinance at its meeting of October 2, 2017. No action was taken at that time, however, because after the close of the public hearing, the question was raised as to whether Council Members Edwards and Harrington might be precluded from participating in the item based on conflict of interest rules from ownership of property in or near the Plaza periphery area. Once this question was raised, the Council suspended consideration of the item pending the outcome of a referral to the State of California Fair Political Practices Commission (FPPC), the body responsible for making such determinations. This review is now complete, with the determination that Council Member Harrington may participate in the discussion of this item. Council Member Edwards has decided to recuse himself on this item, because of a property interest in the downtown area.

The Supplemental Report provides further background and context on issues associated with a potential moratorium. A few brief updates since the October 2nd meeting.

1. Exemptions -- The moratorium exempts five tasting rooms already in process; there have not been any additional tasting rooms come forward to file a business license or a building permit since October 2nd Council meeting.
2. Sales Tax Information – The supplemental report contains information regarding sales tax that was not available at the October 2nd meeting and was requested by the City Council as further research.

If a moratorium is preferred, staff is recommending an accelerated schedule for the development of updated regulations with the goal of having the City Council consider any final recommendations, after review by Planning Commission, no later than September 30, 2018. Staff has already begun research and believes that establishing a tight timeframe will ensure that this analysis moves forward expeditiously.

### Recommended Council Action

Adopt the attached Urgency Ordinance of the City Council of the City of Sonoma Establishing 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.

**Note:** A 4/5ths vote of the City Council is required to adopt an urgency ordinance.

### Alternative Actions

1. Decline to approve the interim urgency ordinance. Direct staff to move forward with researching, developing, and implementing updated regulations through the regular ordinance amendment process.
2. Decline to approve the interim urgency ordinance and direct staff to not research regulations for wine tasting facilities.

### Financial Impact

The financial impact of the proposed moratorium is unclear, especially in light of uncertainties created by the October Fires. The vacancy rate in the Plaza Retail Overlay Zone is currently quite low, less than 3%. The financial impact will be seen in the future as any new regulations are better known and then implemented if approved.

#### Environmental Review

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

#### Status

- Approved/Certified
- No Action Required
- Action Requested

### Attachments

- [Supplemental Report - Tasting Rooms Moratorium](#)
- [Draft Interim Urgency Ordinance](#)
- [Updated Map-2017 Wine Tasting Facilities and Wine Bars](#)

[SVB on Wine blog post re Tasting Rooms](#)  
[Tasting Room Moratorium Correspondence](#)  
[Staff Report – September 18, 2017](#)  
[PowerPoint Presentation – September 18, 2017](#)

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**Alignment with Council Goals:**



**CITY CHARACTER:**

*To preserve, promote and celebrate the unique characteristics of Sonoma; encourage the incorporation of our history into City, community and business identities; focus on fostering a tourism economy while maintaining and strengthening historic values; create a sense of place for our residents in a safe, healthy and vibrant community; preserve Sonoma as a “hometown”.*

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**Compliance with Climate Action 2020 Target Goals:**

N/A

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**CC:**

Maureen Cottingham, Executive Director, SVVG  
Patricia Shults, Executive Director, Sonoma Valley Chamber of Commerce

## SUPPLEMENTAL REPORT

### Consideration of Urgency Moratorium on Wine Tasting Facilities

*For the City Council Meeting December 4, 2017*

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#### **Background**

At the September 18<sup>th</sup> Study Session on tasting rooms, the following topics were presented by staff and discussed by the City Council and community:

- 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;
- Feedback from law enforcement regarding DUIs; and
- Outline of options and next steps

A copy of the September 18<sup>th</sup> staff report is included as a link to this staff report as background information.

#### **Overview Considerations**

Sonoma is first and foremost a community with a unique historic culture and small-town flavor. Many of us choose to live in Sonoma for its special community character. Yet it is important to keep in mind that we are also primarily a tourism based economy. A community conversation about proper regulation and appropriate zoning can be a positive tool to ensure that we are collectively managing the vision of our town. In order to launch this discussion, staff has spent considerable time gaining an understanding and reviewing the issues for wine tasting facilities in Sonoma.

Below are some of the considerations for this discussion:

- The diversity of Plaza businesses has evolved over time and the City has implemented land use regulations at various times to attempt to balance the uses and composition of the Plaza. The City has always been especially concerned about first floor space directly on the Plaza and in the Plaza Retail Overlay District.
- The Plaza has also had vacancies in key locations that raise concerns about what could occur in the future. There are questions about what the future regulations could entail and how regulations may help or hinder the community goals and vision, and in addition how such regulations may have unintended consequences.

- Lease rates on the Plaza have increased with tasting rooms able to pay a higher price than traditional retail. In 2010, commercial leases were in the \$2.00- \$2.50/square foot range and today new commercial leases are in the range of \$6.00/square foot.
- Overall today, there are 26 wine tasting facilities in the Plaza Retail Overlay District and a total of 30 wine tasting facilities in the greater downtown of Sonoma, as well as 3 wine/bar taprooms.
- In 2012, there were 17 tasting room facilities in the Plaza Retail Overlay District and in 2017, there are 26, representing a 35% increase in 5 years. At the same time, traditional retail spaces have decreased from 63 to 54 representing a 14% decrease in other retail uses.
- There is shared concern from residents, tasting facility managers/owners, and other businesses on the Plaza about the need to maintain a diverse mix of businesses on and surrounding the Plaza to maintain community character, economic vitality and general interest from both residents and visitors. This is a conversation that is being had by cities across the state. A recent blog post from Silicon Valley Bank wine division founder Rob McMillan adds perspective to this conversation, and is attached.
- The current tasting rooms would be considered a “legal non-conforming use” if the City put in place a conditional permit process in the future. This means that these location are basically grandfathered and would not be subject to any new permitting requirements except upon the loss of their legal non-confirming status or the existence of other extenuating circumstances. Even if the City put in place new regulations, it is likely that the current number of tasting rooms would remain stable.
- While the Plaza is currently enjoying a low vacancy rate, there is continued interest from wine tasting facilities to come to Sonoma. In addition to the five new wine tasting facilities in process (based on the City’s building permit and business license data), the City is aware that some current retailers are considering adding a tasting room component to their current business model as a way to broaden their business operations. [Again, without a permitting process, the City is not in position to know what is occurring until often very late in the process.]
- There is much to be said for allowing the market to sort out the mix of businesses around the Plaza. Over time, it is often true that the market will realign and manage issues of over-concentration. However, there is often a transition time and transition implications while this occurs. In Sonoma’s case, the overall market area is fairly small as is the number of property owners and commercial brokers which can mean that small changes can create larger impacts or perceptions.
- The Sonoma Valley is a prestigious wine region with five distinct American Viticultural Areas (AVAs) with local wines and wineries bringing a sense of history, pride and economic investment. Retaining wine tasting facilities that are coming from or sourcing grapes from the Sonoma Valley is another potential criteria or preference to consider as regulations are looked at for wine tasting facilities. This was an issue raised by numerous wine tasting facility owners and managers in addition to the Sonoma Valley Vintners and Growers. Local sourcing and local focus is another shared value across many stakeholders.

### **Sales Tax Information / Policies Pertaining to Wine Bars and Tasting Rooms**

At the October 2<sup>nd</sup> City Council meeting, there were questions regarding sales tax and state policies regarding tasting rooms and wine club memberships. At the time of the meeting, staff was still researching these issues. The information below provides policy and sales tax information for these two major wine retailers (wine bars and tasting rooms).

#### Tasting Rooms (Type 2 ABC liquor license)

- Classified as “food processing equipment” by the State of California.

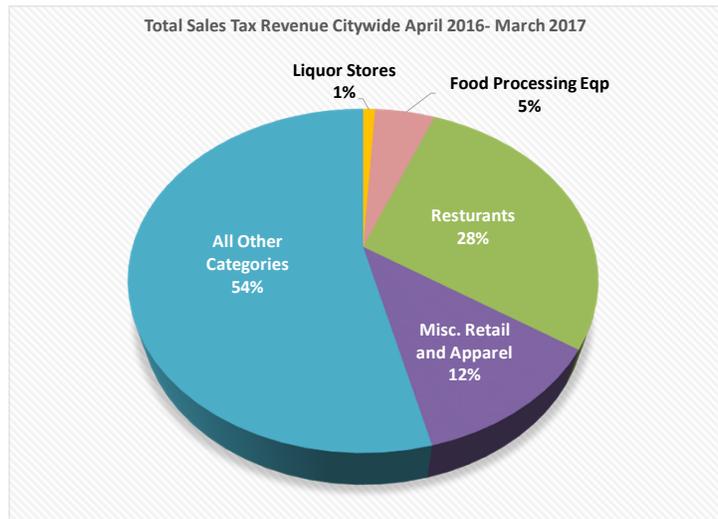
- Tasting Fees are taxable: Tasting fees are frequently waived when a customer purchases wine, but the bottle of wine that is purchased is then taxed. Taxes are normally included in the tasting price: \$10 fee= \$9.20 x 8.625% = \$9.99

Wine Bars (Type 42 ABC liquor license)

- Classified as “liquor stores” by the State of California.
- Wine purchases taxable.
- If a wine bar is attached to a restaurant or serves food, it is classified as a restaurant by the State.

Wine Bar and Tasting Room Revenues

To the right is a pie chart showing the total sales tax revenue within the City of Sonoma from April 2016 through March 2017. It is important to remember that “liquor stores” includes wine bars for a total of \$27,000 sales tax citywide and “food processing equipment” includes all tasting rooms for a total of \$134,000 of sales tax citywide. These categories may include some other uses, but the preponderance is wine retail establishments.



A few key facts about sales tax and tasting rooms:

**TASTING FEES:** Sales tax is charged on the tasting fee and is typically included as part of the flat fee charged by the winery. The tasting fee will be applied (or waived) toward any retail purchase of wine that takes place at the time of the tasting.

**RETAIL SALES:** Sales tax is charged on the retail sale of all wine occurring at a tasting room.

The table below shows a comparison of Sonoma and other surrounding jurisdictions sales tax generated from tasting rooms and wine bars.

Jurisdiction	Total Sales Tax	Food Processing Equip. (Tasting Rooms)	Liquor Stores (Wine Bars)
Healdsburg	\$3.9M	\$183K	\$73K
<b>Sonoma</b>	<b>\$2.7M</b>	<b>\$134K</b>	<b>\$27K</b>
St. Helena	\$2.5M	\$204K	\$ 7K
Napa	\$1.9M	\$ 64K	\$31K
Yountville	\$1.1M	\$140K	\$30K

*Wine Club Memberships and Sales Tax Point-of-Sale Location*

Each wine club (membership) is set up differently. How the local tax is allocated will vary depending upon how and where the members sign up, where the wine(s) ship from (out of state versus in-state), if the wines being shipped are exclusively from a single winery or if wineries partner together, etc. A variety of factors determine how sales tax is collected and allocated.

- If the wine is picked up at a tasting room, then that location would be considered the Point-of-Sale (POS) for the sales tax and the applicable tax rate for City of Sonoma would be charged.
- If the winery ships the wine from a location other than the tasting room than that alternative location could be considered the Point-of-Sale (POS) for the sales tax. This may depend on the

specifics of the language within the wine club membership contract. (Staff believes that further discussion and research with respect to wine club memberships needs to occur with the goal of retaining as much tasting room sales tax for the City of Sonoma as appropriate.)

- If memberships are out of state, no tax is allocated. Per State regulations, if you sell and ship wine to customers outside of California, the sales are exempt sales in interstate commerce and are not subject to California sales tax.

A few options for future regulations and conversations with tasting rooms.

- 1) If the City decides to allow future tasting rooms, the City could consider conditioning a new location to ensure all California memberships and related wine deliveries occur within the newly permitted store (and that the company/winery properly establish registrations with the State of California).
- 2) During preliminary conversations between staff and current tasting room owners/managers, there was a sincere desire to meet the proper regulations and work with the City in a collaborative manner. Staff would recommend that our sales tax consultant, Muni Services, conduct a review and consultation with each tasting room to ensure proper coding of sales tax.

### **Update on Wine Tasting Facilities Currently in Process**

With the absence of a licensing or permit process, the City often does not know when or where a new wine tasting facility is intending to open. However, if a new wine tasting facility chooses to build, demolish or invest in new tenant improvements, then the City's first indication of the proposed new use is generally a building permit(s) application. Also, each business in the City is required to have a business license. Thus, business license applications present another opportunity for the City to note where new facilities are proposing to locate.

Staff has reviewed our records and finds the following wine tasting facilities currently "in process" based on the above City procedures/regulations. Staff has added these five tasting rooms that are in process to the attached GIS map with a different color designation.

#### **Active Building Permit**

Palm Bay International – 497 First Street West

#### **Building Application Approved Awaiting Issuance of Permit**

Bedrock Wine Co. -- 414 First St. East (Hooker House, Paseo Passage, El Paseo)  
Abbot's Passage -- 27 E. Napa St. (Sonoma Court Shops)

#### **Business License Approved in Last 60 Days**

Jean Edwards Cellars LLC -- 29 East Napa Street, Suite C (Sonoma Court Shops)  
Schug Winery -- 452 1<sup>st</sup> Street East (The Mercato)

### **Basic Parameters – Conditional Use Permits**

As the City Council considers whether to approve a moratorium, it is important to understand some basic parameters for any future regulations on tasting rooms that might come forward as proposed regulations.

1. Any future regulations of tasting rooms will likely be through a land use / zoning permit – likely a conditional use permit. An approved conditional use permit is valid for the specific location and will, after issuance, run with the land/property, and remains valid for subsequent businesses at the same location. This creates an entitlement that doesn't go away if a specific tasting facility closes. The property owner would have the legal right to solicit to another tasting room.
2. Each of the approximately 30 tasting rooms currently in existence and lawfully operating without

a conditional use permit before any new regulations are approved would be considered a “legal nonconforming use”. This means that these locations are “entitled” for a tasting room now and into the future except as set forth below.

3. Existing tasting rooms would generally not be subject to a future conditional use permit requirement; however, the City Council may place some parameters in any updated regulations, including requiring a conditional use permit based on the following situations.
  - a. The City determines that a specific business is operating in a manner that it is creating a nuisance to surrounding uses.
  - b. The current tasting rooms changes it liquor license classification.
  - c. The current tasting room has its license revoked or suspended by the State Department of Alcoholic Beverage Control.
  - d. The current tasting room has a substantial change in the mode or character of operation of the establishment.
  - e. The current tasting room is abandoned or discontinued for a period of one (1) year or more.

### **Moratorium Information**

Under State law, an interim moratorium ordinance may be adopted based on anticipated changes in development policies arising from ongoing or anticipated planning studies, such as a zoning ordinance amendment. At its Study Session of September 18, 2017 on Wine Tasting Facilities, some background information regarding next steps and options was provided to the City Council for consideration. While no formal direction was asked for by staff or provided by the City Council, initial thoughts and impressions were articulated by individual Council Members. At the conclusion of the meeting, several Council Members expressed interest in exploring a moratorium.

The purpose of a moratorium is to “push the pause button” and allow a public agency the time to study and review policy issues about a topic with the current status/landscape not changing, while new regulations are considered. In other instances, there are regional or state laws/regulations that are being implemented that require time to review and unfold before a City can determine its own course forward. An example of this is the City’s recent cannabis moratoria.

If the City Council decides to adopt a moratorium, the following timelines are outlined in State law. Upon adoption, the ordinance would go into effect immediately, but its initial term is limited to 45 days, after which it would expire unless extended by a vote of the City Council within that period. Under State law, the ordinance may be extended twice: first for an additional period of ten months and 15 days and, then, for one year, for a total of two years.

### **Updated Timeline for Adopting Regulations**

The following outlines staff’s anticipated timeline and work plan to bring options for substantive regulations relating to wine tasting facilities forward to Council.

December – March	Research, analysis, outreach, preparation of regulations
April	Planning Commission Workshop on Proposed Regulations
June	Planning Commission Recommendations Including Proposed Regulations and CEQA
July/August	City Council Action on Proposed Regulations and CEQA

In light of the above timeline, staff recommends that we implement a moratorium with a shortened timeline to ensure that this discussion proceeds quickly and is a priority. Staff recommends that rather than having the first extension of the moratorium be for a period of ten months and 15 days (ending December 30, 2018), at the time that any extension is brought forward after the initial 45-day period, that we shorten any proposed first extension to be until September 30, 2018 with the goal of returning to the City Council in September 2018. (The proposed schedule is further discussed in the staff recommendation.)

**Moratorium Components**

The City Council will need to consider several parameters within a moratorium. Staff has listed options below and also outlined which option has been placed in the draft urgency ordinance for the City Council’s consideration.

<b>Moratorium Parameters</b>			
<b>Parameter</b>	<b>Options</b>	<b>Proposed in Draft Moratorium</b>	<b>Notes</b>
<i>Use Type:</i>	<ul style="list-style-type: none"> <li>• Wine Tasting Facilities only.</li> <li>• Wine Tasting Facilities and Wine Bars/Taprooms</li> </ul>	<ul style="list-style-type: none"> <li>• Wine Tasting Facilities only.</li> </ul>	There is already a use permit requirement in place for Wine/Bars Taprooms.
<i>Geographic Area:</i>	<ul style="list-style-type: none"> <li>• Plaza Retail Overlay Zone</li> <li>• Downtown Planning Area</li> <li>• Historic Overlay Zone</li> <li>• City-wide</li> </ul>	<ul style="list-style-type: none"> <li>• Plaza Retail Overlay Zone</li> </ul>	Based on the comments and discussions that have occurred to date, the core of the Plaza, represented by the Plaza Retail Overlay District, appears to be the main area of concern.
<i>Thresholds (Projects not affected by Moratorium):</i>	<ul style="list-style-type: none"> <li>• Building Permit applied for.</li> <li>• Building Permit under review.</li> <li>• Business License issued.</li> <li>• Lease signed</li> </ul>	<ul style="list-style-type: none"> <li>• Building Permit applied for.</li> <li>• Building Permit under review.</li> <li>• Business License issued.</li> <li>• Projects with a vested right to proceed.</li> </ul>	Under the law, when a substantial expenditure has occurred toward physical improvements in implementing a project, it is typically considered to be a vested right and allowed to proceed.

**Staff Recommendation**

Sonoma’s roots are in its wine industry and agricultural history. Wineries and wine tasting facilities serving world renowned wines from the Sonoma Valley are a key ingredient to our history, economy, city finances and jobs. We are fortunate to have tasting room employees, managers and owners that are committed and invested in our community. With the shift in the wine industry business model to direct sales to consumers and the beautiful Plaza location that we enjoy, it is no wonder that the strong economy is helping drive an increasing number of wine tasting facilities that want to locate in Sonoma and on our Plaza.

While regulations are not always welcomed, there is a larger public policy issue here for Sonoma. The question is how do we maintain our community character and balance for our residents while we also continue as a viable attractive destination for visitors which is the keystone to our economy. Staff does

not know what the ultimate solution will be regarding regulation for wine tasting facilities rooms around the Plaza, but we do believe it is time to pause, study, discuss, reflect and look for solution oriented options that work in the short run and long run for our community as a whole.

Staff also clearly recognizes that moratoriums often last 1-2 years and cause uncertainty and angst for residents, property owners and businesses. In the course of reviewing this issue, staff has already started research and analysis to inform this discussion, but also with an eye to getting a jump on developing options for any future regulations. With this in mind, staff recommends the following:

1. Adopt the attached interim ordinance imposing a moratorium for wine tasting facilities in the Plaza Retail Overlay Zone including exempting five wine tasting facilities that are already in process and vested.
2. Approve a typical moratorium schedule for the moratorium – first adoption 45 days.
3. Consider a first extension to the moratorium with a more limited time frame than the maximum permitted - through September 30, 2018.
4. Direct the City Manager to return with verbal updates to the City Council and community regularly through this process and to bring forward regulations to the City Council by September 2018.
5. In researching options for updated regulations, staff will examine concepts related to geographic concentration and dispersion, local sourcing, and other issues.

**ORDINANCE # \_\_\_\_-2017**

**AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SONOMA  
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**

The City Council of the City of Sonoma makes the following findings:

WHEREAS, Sonoma is a community steeped in history with a small town environment. The City has endeavored to balance the City's rich historic roots and small town character with growth in the wine industry and an influx of tourists. This balance is vitally important to the health of the City and of great value to the citizens. The City's history, its residential districts, its beauty and its location in the midst of wine country have made Sonoma a special place in which to live and work. These special qualities of the City must be respected so that Sonoma can continue to retain its unique attributes and thrive; and

WHEREAS, Sonoma is also a City with an active and growing wine industry. The proximity of the City to Sonoma Valley and other wineries has contributed to establishing the City as a unique and desirable tourist destination. The location of the City has also made it an attractive location for wineries to establish retail locations for wine tasting and the sale of wine and related products; and

WHEREAS, the City's 2020 General Plan states, that "Sonoma should continue to be characterized by variety in terms of land uses, building types, and housing, and this diversity should be consistent with preserving the town's small-scale and historic character."; and

WHEREAS, over the last several years, and due to the desirability of Sonoma as a tourist destination, the City has been and continues to experience an increase of Wine Tasting Facilities located in the Plaza Retail Overlay District. Between 2012 and the present the location of Wine Tasting Facilities in the roughly 4 block area of the Plaza Retail Overlay District has increased by 35% with 26 such businesses now open and operating within the zoning district and 5 more additional such facilities now in the process of locating therein; and

WHEREAS, the City has received numerous expressions of concern from residents and business owners regarding the effects of the rapid increase of Wine Tasting Facilities in the Plaza Retail Overlay District. These concerns have been primarily related to the effect on the City's historic and small town character, the balance of tourism related business to resident serving business, the secondary effects related to traffic, economic vitality, business diversity and the rapid rise in commercial rent rates in the Plaza Retail Overlay District; and

WHEREAS, the City has evaluated these concerns and has determined that wine tasting rooms have increased from 9% to 13% of the business establishments in the Plaza Retail Overlay District in the last 5 years, that other retail business in the area has decreased in the same time period and that rents for retail space in the area have increased from the \$2.00/2.50 range to \$6.00 range per square foot in the zoning district in the last 8 years; and

WHEREAS, there is currently no restriction on the location of Wine Tasting Facilities in the Plaza Retail Overlay District as such businesses are currently treated as General Retail uses

which are permitted uses in the Plaza Retail Overlay District. Wine Tasting Facilities continue to increase in numbers in the Plaza Retail Overlay District with 5 potential new locations currently in process; and

WHEREAS, Sonoma desires to protect its existing historic and small town character, as well as its vibrant tourism industry and at the same time retain a livable, supportive environment for its existing residents and businesses, and to thrive in a manner consistent with its community values. Permitting the unregulated establishment of additional Tasting Room Facilities in the Plaza Retail Overlay District undermines the City's General Plan policy to maintain a variety of land uses and diversity consistent with preserving the small-scale and historic character of the City. As such, the City Council desires to study the issue and the City's Development Code to determine appropriate regulation of Wine Tasting Facilities in the City and in the Plaza Retail Overlay District in particular; and

WHEREAS, the City has a responsibility to move forward with studies necessary to identify the regulations necessary to foster an appropriate mix of uses and harmonize and prioritize the various policies relating to the mix of commercial business and increase of Wine Tasting Facilities and the impacts they have on community and historic character, neighboring land uses, economic vitality and quality of life. It is important for the City to fulfill this responsibility and look carefully at implementing regulations that balance the City's relevant policies prior to allowing additional Wine Tasting Facilities to locate in the Plaza Retail Overlay District on an individual property by property basis; and

WHEREAS, should the moratorium contemplated by this Ordinance not be adopted, Wine Tasting Facilities which are inconsistent with the community's long term vision for the City and the Plaza Retail Overlay District in particular will continue to increase and will hamper and irreparably impede the City's goal of regulating such uses to protect the historic and small town character of the City and the appropriate mix of retail uses in the Plaza Retail Overlay District. Should additional Wine Tasting Facilities be located in the Plaza Retail Overlay District while the City is studying the propriety and/or criteria under which they should be permitted, those studies and any decisions leading therefrom will likely be rendered less effective and meaningful; and

WHEREAS, the City needs a reasonable period of time to properly and carefully consider and further study the appropriate mix of land uses and development criteria applicable to Wine Tasting Facilities in the Plaza Retail Overlay District, potentially leading to the amendment of the City's Development Code; and

WHEREAS, the increase of Wine Tasting Facilities, combined with the facts recited above, pose a current and immediate threat to the health, safety and/or welfare of the citizens of Sonoma. The ongoing unregulated establishment of such Wine Tasting Facilities will likely be in conflict with, prevent the implementation of and/or seriously impair the efficacy of any zoning or other land use policies which the City would consider as part of its study, thus rendering such plans and policies ineffectual; and

WHEREAS, the purpose of this Ordinance is to prohibit the establishment of or the allowance of new, additional Wine Tasting Facilities within the Plaza Retail Overlay District pending the consideration and study of permanent regulations governing such development and use.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SONOMA DOES ORDAIN AS FOLLOWS:

Section 1. The above recitals and findings are incorporated herein by this reference.

Section 2. The City and its agents, employees and departments shall not approve any building permit, demolition permit, plan, subdivision, design review permit, variance, permit or other entitlements for any use of land or structure, or a business license for a Wine Tasting Facility within the Plaza Retail Overlay District, except as set forth in Section 5 hereof, and after the adoption of this Ordinance, no person shall commence operation or development of a Wine Tasting Facility in the Plaza Retail Zoning District so long as this Ordinance is in effect, except as set forth in Section 5 hereof.

Section 3. For the purposes of this Ordinance, "Wine Tasting Facility" shall have the same meaning as defined in Section 19.92.020 "W" of the Sonoma Municipal Code.

Section 4. For the purposes of this Ordinance, "Plaza Retail Overlay District" shall have the same meaning as defined in Section 19.10.030 C.4 of the Sonoma Municipal Code and the City of Sonoma Zoning Map.

Section 5. This Ordinance shall not apply to: (a) the establishment of a Wine Tasting Facility within the Plaza Retail Overlay District at the locations indicated in Exhibit A, attached hereto and incorporated herein by reference as these Wine Tasting Facilities were in process on the effective date of this Ordinance; (b) construction required to comply with fire and/or life safety requirements; (c) disability accessibility work; and (d) Wine Tasting Facilities with a vested right established prior to the effective date of this Ordinance.

Section 6. This Ordinance is categorically exempt from CEQA under: (a) Section 15308 of the State CEQA Guidelines ("Guidelines") because it is a regulatory action taken by the City in accordance with Cal. Gov't Code §65858 to assure maintenance and protection of the environment (b) Guidelines, Section 15060(a)(2) because it will not result in a direct or reasonably foreseeable indirect physical change in the environment; and (c) Guidelines, Section 15061(a)(3) because it can be seen with certainty that there is no possibility that the adoption of the ordinance may have a significant effect on the environment since the ordinance prohibits physical changes for a specified period of time. The regulations set forth in this ordinance are specifically established to maintain the status quo and preclude any changes to the existing environment relating to Wine Tasting Facilities until such time as the issue can be studied and substantive regulations can be developed, considered and adopted.

Section 7. The moratorium as adopted by this Ordinance shall become effective immediately upon its adoption and shall be of no further force and effect 45 days from its date of adoption, unless extended within said 45-day period in accordance with Cal. Gov't Code §65858.

Section 8. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance.

The City Council hereby declares that it would have passed this and each section, subsection, phrase or clause thereof irrespective of the fact that any one or more sections, subsections, phrase or clauses be declared unconstitutional on their face or as applied.

Section 9. This Ordinance shall be published in accordance with applicable provisions of law, by either:

publishing the entire Ordinance once in the Sonoma Index Tribute, a newspaper of general circulation, published in the City of Sonoma, within fifteen (15) days after its passage and adoption, or

publishing the title or appropriate summary in the Sonoma Index Tribune at least five (5) days prior to adoption, and a second time within fifteen (15) days after its passage and adoption with the names of those City Councilmembers voting for and against the Ordinance.

\*\*\*\*\*

THE FOREGOING ORDINANCE was first read and adopted as an urgency Ordinance at a regular meeting of the Sonoma City Council on the \_\_\_\_\_ day of \_\_\_\_\_, 2017, by the following vote:

AYES: Councilmembers

NOES: Councilmembers

ABSENT: Councilmembers

ABSTAIN: Councilmembers

\_\_\_\_\_  
Mayor of the City of Sonoma

Attest:

\_\_\_\_\_  
City Clerk of the City of Sonoma

Approved as to form:

\_\_\_\_\_  
City Attorney of the City of Sonoma

**EXHIBIT A**

**LIST OF EXEMPT WINE TASTING FACILITIES  
FROM THIS URGENCY ORDINANCE**

**Active Building Permit**

Palm Bay International – 497 First Street West

**Building Application Approved Awaiting Issuance of Permit**

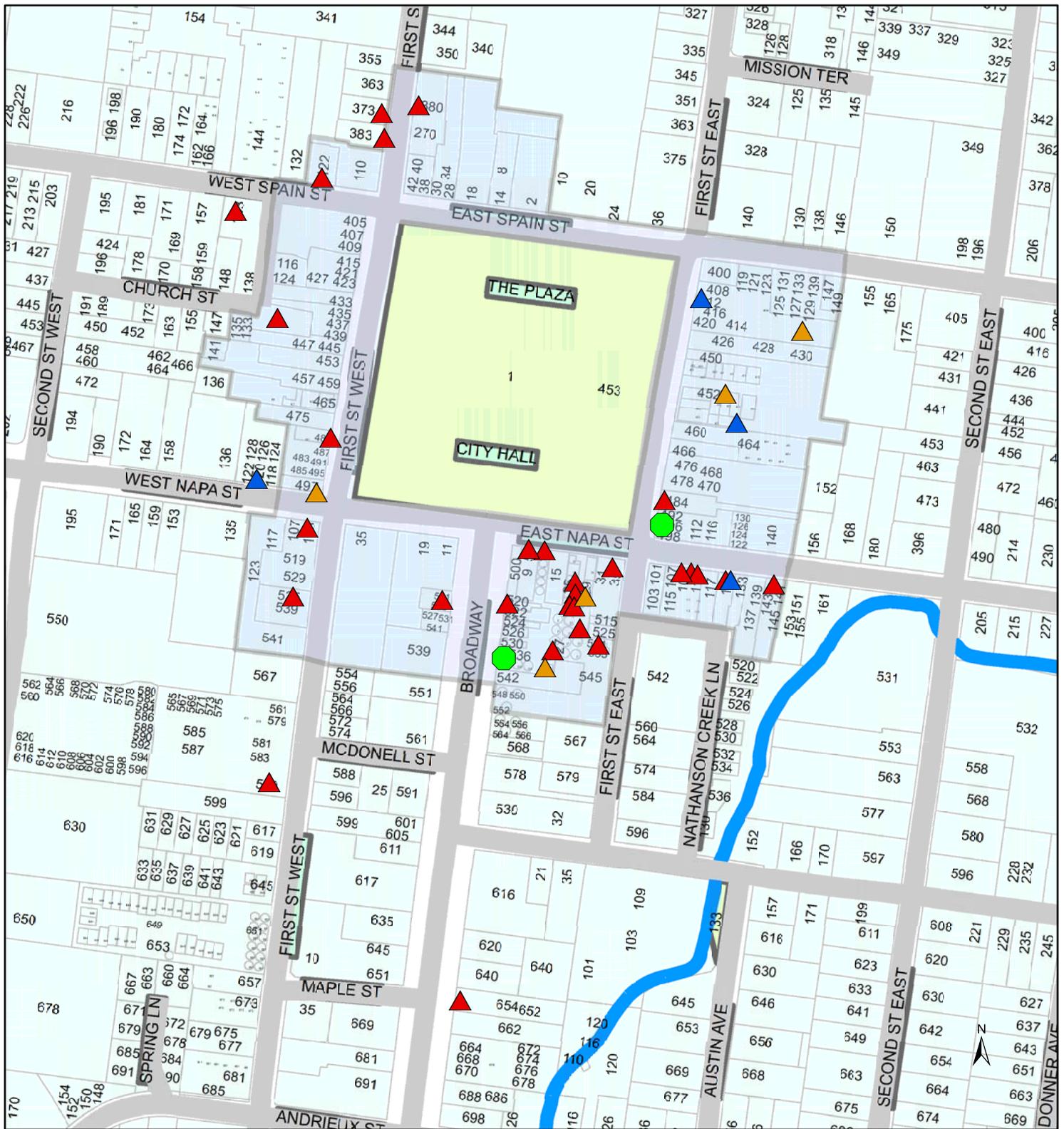
Bedrock Wine Co. -- 414 First St. East

Abbot's Passage -- 27 E. Napa St.

**Business License Approved in Last 60 Days**

Jean Edwards Cellars LLC -- 29 East Napa Street, Suite C

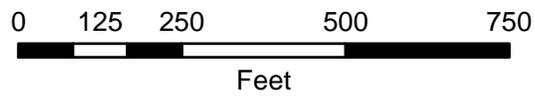
Schug Winery -- 452 1<sup>st</sup> Street East



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



## City of Sonoma Tasting Room Locations, 2017

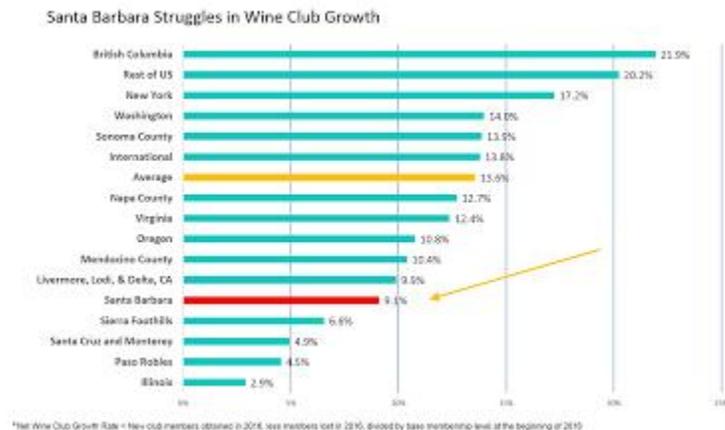


# SVB on Wine

The Business of US Fine Wine

Sunday, September 24, 2017

## Is Opening a Downtown Tasting Room Smart?



<<click on picture for better view>>

## The Regulatory Landscape



Falling on the heels of a growing anti-tourism movement, of late I've taken calls from officials in three particular cities that are now considering tightening regulations, or altogether banning the growth of downtown wine tasting rooms.

What else can officials do to make the wine business more difficult? That's what many are asking. Why are municipalities working so hard to hinder success of an industry that helps pull in millions in local occupancy taxes, and donates many more millions to charity? Answer: It's just politics.

The wine industry isn't sufficiently engaging in the debate so we have ourselves to blame in part. We have a fight on our hands but don't show up in force to planning commission meetings and support applications.

We make it harder on officials who only hear from their constituent nay-saying minority. To the credit of the officials, one thing they are doing is asking around for data and facts that might help balance the debate, but I'm wondering if opening a downtown or urban tasting room is even a good business decision in the first place?

## Banning Tasting Rooms



Should local officials ever consider a moratorium on new tasting rooms as we read is the current case in some towns? My answer is absolutely yes they should debate and consider it because land-use and sensible zoning can have a positive impact for everyone in a community, including wineries. It's a worthwhile conversation. No town needs all tasting rooms, grocery stores, or food trucks. Parking is another consideration for any business use.

A well-considered downtown with tourism as a draw should have complimentary businesses to pull in visitors. Getting the right blend of business isn't easy though, especially when anti-change elements dominate the discussion, as has happened in Saint Helena CA. St. Helena is in serious financial distress and is the poster-child for the unintended consequence of wishing things were like "the good old days" and ignoring tax and fee opportunities from tourism.

But there are other important business questions to be asked before getting to the permit stage: ***Is it a good business decision to open a downtown tasting room in the first place? Will it be successful? What conditions will make it successful or kill it? If there are already a lot of tasting rooms, is there room for one more or will that be one too many?***

## Success Isn't Guaranteed or Well-Defined

In truth, urban tasting rooms are a relatively new phenomenon and the jury is still out on their true effectiveness. But how is effectiveness defined? Winery owners get locked into thinking that if there is tourist traffic, the exposure alone will be good for the brand and they move forward with the concept. But is traffic truly success? From my vantage point, the number of visitors and incremental tasting fees are not the most important metrics. But take San Francisco as an example. There you have plenty of tourists and foot traffic.



Several wineries have tried opening in San Francisco with decidedly mixed results. I've had several clients attempt it and eventually leave. But I still have some who think they can be successful and are trying now.

Those who left San Francisco came to the conclusion that the tourists going to S.F. were going for specific reasons, and wine tasting wasn't on the list. They discovered if visitors came in the tasting room, the tasting experience was more like a bar and visitors neither joined the club or took wine home with them.

Opening in a tourist area isn't necessarily a key to certain success. While the tasting bar might glimpse improvement in added tasting fee income for the business, tasting fees alone won't cover your costs. Selling your limited selection of wine one ounce at a time, isn't going to scale into a business either, unless you are at an airport and sell a lot of different brands.

In the planning stage, another mistake is made when owners believe the conversion rate to the wine club can be as good at a downtown location as it is at the winery. It's not. And finally, owners forget the context. There are other wineries in a downtown area who are delivering their products for a certain size tasting fee. No matter what your fee is at the winery, you have to fit in or clearly justify your tasting benefits and fee structure, within the downtown context.

## Too Much of a Good Thing

There are two benefits of a tasting room. The first benefit is giving your guests an experience and in so doing, hopefully you etch a mental marker in their mind about the wines you make. It's getting them by the trial component of the purchase decision, but the type of experience plays into that, locking the brand in their mind.



The second and more important thing you are

trying to do is get them into your wine club, or at a minimum collecting visitor contact data. As far as I can tell from polling wineries over time, the conversion rate of visitors into the wine club in a downtown tasting room isn't as high when compared with the tasting room at the winery. It's a different experience.

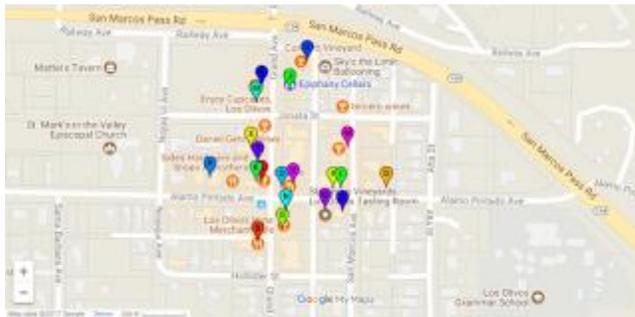
There are economic concepts called Cluster Theory and a related one called the Agglomeration Effect. In retail, these are the notions that explain the development and success of malls, and it helps to explain one good economic reason to have concentrated tasting rooms.

People come together in a mall or urban tourist area for an experience and convenience. Complementary and cooperating companies can do better together in a condensed location versus being spread out in the hills. That works well as long as the mix of companies is correct and price wars don't escalate among shops selling similar goods.

**But what's the right number of tasting rooms in a town?** In my opinion, the regulatory choice to limit tasting rooms to one per block as was done in Healdsburg CA isn't a good solution. It's more effective to locate 3-4 tasting rooms in clusters on a block. That draws tourists and allows the wineries to create clustered experiences with adjoining and cooperating tasting rooms and businesses. Tourists more effectively shuttle into better defined areas within a city, which helps traffic flow and parking. But there is a limit. How many urban tasting rooms are too many? It turns out we have a good example.

## The Curious Politics In Santa Barbara County

The towns of Buellton, Lompoc, and Los Olivos have ended up with too many tasting rooms, paradoxically because Santa Barbara County is trying to protect the rural character of the county by discouraging visitation at the wineries themselves.



The result of being unable to host visitors at the winery is that the owners had no choice except to open tasting rooms in the towns. It has created a less than ideal consumer experience for the wine buyer.

The tourist traffic that otherwise would have been spread out throughout the rural countryside, has been focused down into local choke points within the towns which is just poor traffic planning. The situation has negatively impacted both the town and the wine business.



[Los Olivos](#) is a prime example. It's a small unincorporated area of about 1,100 people. Above is a map of Los Olivos overlaid with tasting rooms. I can't get the precise number today, but **there are somewhere around 30 tasting rooms crammed into roughly four to five blocks**. Parking on the weekends is difficult, and the visitor experience is sub-optimal.

While owners and employees do the best they can in Santa Barbara, **for some visitors the experience is closer to a pub crawl versus a luxury experience**. As a result, the County of Santa Barbara has some of the worst performing tasting room and club metrics compared to the other major AVA's, as noted in the headline slide on wine club growth.

The conclusion of a recent industry conference in the County was the visitors from Los Angeles were stopping for lunch, but driving through to Paso Robles where tourists get better experiences at the wineries.

## The Right Circumstances For Opening Urban Tasting Rooms

In Santa Barbara regulations have created a bad situation which leaves the winery owners with fewer options. An urban tasting room might be their only choice. But even then trying to better plan tasting rooms into cooperative clusters and coming up with a collaborative coherent story within clusters would improve the experience. I recognize changing what already is in place is pretty difficult.



Another good reason for a downtown tasting room is the situation in [Woodinville](#) Washington where the growing region is remote from the major population center. It's not ideal but getting customers to the hinterlands is equally difficult. Some wineries are now trying to open remote tasting rooms in Seattle to change the model, but once again, the jury is still out.

My encouragement is to think hard before opening an urban or downtown tasting room and define success metrics more clearly. There are good reasons to do it but getting tasting room income from fees isn't the right one. Getting people into the wine club is the best one but downtown is a harder sell for club conversions.

Find efficient ways to collect visitor information. That's perhaps the most important metric to track and a key to winery success. Each contact is an opportunity to engage visitors who have tried your wine. Another consideration is to find ways to work with adjoining businesses on the block to help improve the visitor experience. Make your business cluster the most desired one in town. Think about 'the neighborhood' and become a part of a few tasting rooms that will in cooperation attract more traffic.



I'd make sure the story was told about the winery in the remote tasting room. You have to have the connection to the site where the wine is made, and hopefully encourage visitors to make a visit there. Pictures, wine making equipment, soil samples, barrels filled with wine for a barrel sample option is a possibility, and videos are all good options to tell the story.

There are a range of design options that are suitable and differentiation is still important. You might find success opening a tasting room with a few wineries to share employee costs - though you also have to share contact acquisition. Cross-over marketing opportunities that partner with another local business such as a cheese or chocolate shop might also be good. But in **the final analysis, you are selling wine**. The facility has to be authentic and represent the winery and brand. If its looks more like a themed restaurant or sports bar with antiques and memorabilia on the walls, you're selling the wrong thing. Does anyone think a bar selling one brand is a good idea?



### **Weigh in with Your Observations and Opinions!!**

- **Please join the site** in the upper right hand of the page.
- **Offer your own observations and opinions** for the benefit of the wine community.
- **Promote this discussion on your favorite social media platform now.**

Posted by [Rob McMillan](#) at 5:04 PM

[Email This](#)[BlogThis!](#)[Share to Twitter](#)[Share to Facebook](#)[Share to Pinterest](#)

Labels: [Downtown Tasting Rooms](#), [Local Regulations](#), [Rob McMillan](#), [Urban Tasting Rooms](#)  
Napa Valley, USA [Napa, CA, USA](#)

**From:** [Rebekah Barr](#)  
**To:** [Rebekah Barr](#)  
**Subject:** FW: letter on tasting rooms  
**Date:** Thursday, September 28, 2017 1:35:41 PM

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**From:** Ryan Snow [mailto:[ryan@wrealestate.net](mailto:ryan@wrealestate.net)]  
**Sent:** Thursday, September 28, 2017 1:31 PM  
**To:** Cathy Capriola <[ccapriola@sonomacity.org](mailto:ccapriola@sonomacity.org)>  
**Cc:** Rebekah Barr <[rbarr@sonomacity.org](mailto:rbarr@sonomacity.org)>  
**Subject:** Re: letter on tasting rooms

Council Members and City of Sonoma,  
Please indulge me while I express a couple concerns regarding the current discussion on wine tasting regulation(s). As background, I'm an active commercial broker in Sonoma and have completed more than 300 lease transactions in the last fifteen years. I've made my living here in Sonoma by matching empty commercial spaces with viable tenants that were willing to risk, often risk all, by starting a new business in a brick and mortar space. This landscape has changed dramatically in the last fifteen years

My concerns: 1. We're considering regulation at a market inflection point (economic peak). This is a crucial point of the discussion as we all seemingly have a tendency to view things with a short-term, current state-of-the-market, lens. Had this same body considered regulation in 2010 - when plaza retail was littered with empty storefronts - we likely would have considered streamlining this same industry in efforts to generate occupancy. What happens when the natural economic cycle of higher rents and little vacancy reverses? BTW - these "commercial real estate" trends have always mirrored employment trends. And as we all know, our region is at an all-time high in employment so we can expect the commercial real estate market to follow suit when the economy softens. When this occurs, will we want short-sighted artificial barriers in place to prevent empty storefronts from being occupied?

and 2. THIS IS THE WINE INDUSTRY! - the absolute heart-beat of our community. These are the grape growers and wine producers that provide so much, employ so many, and give so much back to our community. How can we, in good conscience, possibly increase barriers for this industry that so supports our community, our non-profits, and quite simply, our economic base? What local doesn't know literally dozens of people employed by this industry?

As I mentioned, the retail landscape has changed dramatically in the last fifteen years. There is no line of "traditional" retailers at the door, ready to take space. Those folks, have for the most part, gone away due to on-line competition - which isn't burdened by the costs of storefront rents and supporting labor, insurance, inventory, etc.. What has also changed is our wine industry - it is thriving, in part due to the ability to now sell directly to its customers and not be forced into the once dominant extortion practices of the massive middleman distributor. This has created a subset of new winery owners - mostly small, home-grown, hard-working, proud as ever, and as local as could be - that need the personal interaction with their customers that tasting rooms allow. These are your neighbors, your co-parents, your friends, and your fellow Sonomans. I speak with these folks everyday and realize what a massive decision (and complicated process) it is to open a tasting room for their clientele - already involving the ABC, County health, City planning and City building departments.

I'd like to make a third and final point. If council feels compelled to regulate, I'd like to

understand what process would best lead to us getting it right. - a moratorium? use permit review? a simple ban on new winery leases? How do we know that we didn't just eliminate the little guy and pave the way for the conglomerate that can afford the often prohibitive cost of paying rent on a space while applying for a use permit and navigating the regulatory process? How do we ensure the planning commission (staffed by non-elected, part-time, volunteer commissioners) thoroughly understands and implements the chosen legislation when dealing with such an important and complex issue? Not meant to be criticism of the commission, but more of a description of the somewhat "subjective" process a use permit applicant would face. How can we be sure whatever regulation we choose doesn't backfire on us when the economic cycle reverses and empty spaces again become the norm? Are we certain a wine shop that serves primarily out of town/country wines is not a valuable service, and in a sense an added "diversity" to the community - I can think of a very successful shop run by a very well respected restaurant/wine family just about four doors off the plaza...

All I respectfully ask is that council please seriously consider the potential unintended consequences of regulating our primary industry at an economic cycle peak.

with respect,

**Ryan Snow**  
**Commercial Sales & Leasing**  
**707-360-7370**  
[Ryan@WRealEstate.net](mailto:Ryan@WRealEstate.net)

On Wed, Sep 27, 2017 at 5:49 PM, Cathy Capriola <[ccapriola@sonomacity.org](mailto:ccapriola@sonomacity.org)> wrote:

Ryan,  
As we chatted about, please send your letter to [cityhall@sonomacity.org](mailto:cityhall@sonomacity.org) and Rebekah will put it in the packet.  
Cheers,  
Cathy

**Cathy Capriola, City Manager**

City of Sonoma  
No. 1 The Plaza  
Sonoma, CA 95476-6618  
[707-933-2213](tel:707-933-2213) - Direct  
[707-938-2559](tel:707-938-2559) – Fax  
[ccapriola@sonomacity.org](mailto:ccapriola@sonomacity.org)  
[www.sonomacity.org](http://www.sonomacity.org)

Sonoma City Hall

General Phone Number: [\(707\) 938-3681](tel:707-938-3681)

Open for Business: Monday – Friday 8:00 a.m. to 5:00 p.m. (closed for lunch 12:00-1:00)

## Rebekah Barr

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**From:** Sox de Vine <soxdevine@gmail.com>  
**Sent:** Tuesday, September 26, 2017 11:56 AM  
**To:** City Council  
**Subject:** Tasting rooms on the Plaza

## Sox de Vine

450 First Street East Suite H, Sonoma | (707)996-1413 | soxdevine@gmail.com

September 26, 2017

Dear City Council Members:

I had the opportunity to view your September 18 Study Session on the impact of tasting rooms on the City's retail character. I was offended but not surprised to learn that City Staff had consulted with the Vintners Association extensively before the meeting, and that they were specifically invited to speak as part of Staff's presentation. Of course, they turned out in full force to plead their case that there is no such thing as too many tasting rooms. Unfortunately, small retail merchants such as myself are obviously not as well organized, and unless they were lucky enough to receive an individual alert as I was, knew nothing about the Study Session at all. Since the Plaza's small retailers were not given these same advantages, please do not judge the merits of our position by the number of speakers that you heard at the Study Session. We too employ many workers in our stores, even more than the tasting rooms, and unlike the tasting rooms which do not pay City taxes on wine club sign-ups, we pay City of Sonoma taxes with every transaction that takes place in our stores.

Retail stores in Sonoma are directly impacted by the obscene rise in rents that has taken place on the Plaza. For example, the 450-sf space that I originally leased in 2011 for \$1900 a month, (which increased to a landlord friendly \$2,138 by the end of the 5 year term), was immediately put back on the market and leased for \$2800 per month. I believe that approximately 40% of Plaza commercial real estate is owned by 3 or 4 families; and I know that the building in my example as well as many other prime Plaza properties are owned by members of one family whose only ties to Sonoma are monetary. They hold the City's prime retail space hostage by keeping spaces vacant until their unreasonable rents are met. **This is the "free market" that some of you naively believe will correct itself.** The reality is that these out of town owners couldn't care less if they create empty store fronts on our Plaza since they inherited the properties largely debt free and thus do not have the pressure of having to rent to meet a mortgage payment. They have no stake in preserving the Plaza's character unless it impacts their goal of continuously growing rental income. Since Sonoma only means rental revenue to them, increasing those numbers is their job, not making sure that that the City remains a place that its residents want to live, shop and work in. That is *your* job.

The amount of rent charged dictates the kind of retail that can be successful in that space. A store selling hot dogs probably won't generate as much income as one selling T-bone steaks on a per sale basis. That owner would have to sell a lot more hot dogs to equal the revenue of one T-bone steak and therefore probably cannot pay the same amount of rent. Yet there is demand for both hot dogs and T-bone steaks. How can businesses catering to these different markets co-exist? Rents have spiraled upwards to such a point that the interesting, affordable stores that existed even 10 years ago cannot generate a positive cash flow today. Tasting rooms do not have that issue because their goal is to sign up wine club members (which guarantees future income to the winery); to expose customers to their product so that they might purchase it the next time they see it in a restaurant or supermarket; and to sell a bottle of wine if they can. Since the tasting room is a marketing tool for the winery (a so-called "loss leader") and does not have to turn a profit in the same way that a mom and pop retail store has to, tasting rooms can afford to pay much higher rents because they have a different business model.

Retail stores have not all moved out to malls nor are they dead. True, there is competition from e-commerce but retailers who carry unique items and/or price competitively are still alive and well. People cannot derive the fun of shopping, finding an unusual item, talking to a knowledgeable sales person etc. from the comfort of their computer screen. It's still a thrill for shoppers to look at merchandise, feel it, try it on, and imagine the delight on the recipient's face when they receive their present or when the shopper wears or displays their purchase.

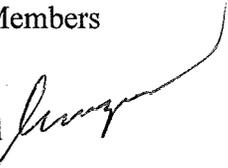
A healthy commercial district has a mix of all types of retail from high end to affordable, banks, restaurants, service oriented businesses etc. Having a disproportionate amount of the same type of business whether it be galleries, tasting rooms, or real estate offices is not good for any commercial area. Sonoma is a real town with real people who live here and who want to enjoy all that the town has to offer including shopping on the Plaza. As our City Council, you are the only ones who are able to act and preserve our Town's balanced retail character. The Council's previous inaction on this issue meant that absentee landlords set the policy and way of life for Sonoma's Plaza. Is that what you want to happen? Is that what you were elected to do? I urge you to put a moratorium on tasting rooms and really take a long, hard look at what kind of future you envision for Sonoma.

Sincerely,

Jeannette Fung

Jeannette Fung, Owner

--

DATE: September 18, 2017  
TO: Sonoma City Council Members  
FROM: Linda L. McGarr  
486 Lovall Valley Road   
RE: Hooker House/Wine Tasting Application

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I will not be able to attend your meeting this evening and am compelled to address the above referenced issue prior to the meeting.

1. We already have a wine tasting business just a few steps to the west of the Hooker House. This enterprise and its owners have occupied this space for 20 plus years and it is inconceivable that a competition would be approved for the same area just a few feet away.
2. The people of Sonoma have already been quite vocal about the City Council approving yet another wine tasting facility in the Plaza vicinity. Enough is enough!
3. The Hooker House would be a perfect spot for a business lacking in Sonoma, ie: a Yardage Shop (fabrics, needles, buttons, etc.), a remnant shop - to name just a couple of needs which we lack in Sonoma. The lack of necessities in Sonoma mandates that Sonomans must travel out of town for their needs which encourages additional shopping out of town.

I join the majority in requesting that you represent the citizens of Sonoma and deny the application for a wine tasting in the Hooker House located to the east of the existing Wine Tasting facility.

Thank you.

