



City of Calistoga  
Planning Commission  
**Agenda Item Summary**

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<b>DATE</b>	October 14, 2015
<b>ITEM</b>	<b>Downtown Wine Tasting Facilities Policy (P 2015-1)</b>
<b>STAFF CONTACT</b>	Lynn Goldberg, Planning & Building Director
<b>POTENTIAL CONFLICTS</b>	None
<b>RECOMMENDATION</b>	Recommend that the City Council mandate the inclusion of secondary retail in new downtown wine tasting facilities
<b>SUGGESTED MOTION</b>	"I move that the Planning Commission adopt a resolution recommending to the City Council adoption of a policy requiring new wine tasting facilities to include a secondary retail use"

# CALISTOGA PLANNING COMMISSION

## STAFF REPORT

**TO** Chairman Manfredi and Members of the Planning Commission  
**FROM** Lynn Goldberg, Planning & Building Director  
**MEETING DATE** October 14, 2015  
**SUBJECT** Downtown Wine Tasting Facilities Policy (P 2015-1)

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### ITEM

1 Consideration of a recommendation to the City Council mandating the inclusion of  
2 secondary retail in new downtown wine tasting facilities

### 3 BACKGROUND

4 Following its approval of a use permit for a new wine tasting operation on June 10,  
5 2015, the Planning Commission expressed concern that there is an increasing number  
6 of these types of applications, and that a proliferation of a single type of commercial  
7 activity in the downtown could adversely affect its unique and eclectic character. The  
8 Commission asked staff to convey its concerns to the City Council and provide for  
9 community input on the issue.

10 The Land Use Element of the Calistoga General Plan includes a number of  
11 objectives and policies that are directed at maintaining a diverse commercial base,  
12 including downtown, that appeals to both residents and visitors.

13 *Objective LU 1.1 Ensure new commercial development enhances and*  
14 *maintains the vibrancy of Calistoga's downtown.*

15 *Policy P1.1-3 The City shall encourage commercial development to*  
16 *incorporate local-serving commercial...*

17 *Objective LU 1.2 Promote a balance between visitor-oriented and local-*  
18 *serving commercial development.*

19 *Policy P1.2-1 Tourism activities shall be regulated to minimize*  
20 *adverse impacts to other segments of the economy,*  
21 *and the resident population.*  
22

23 Wine tasting facilities are generally considered to be tourist-based commercial activities.  
24 Their proliferation could diminish other commercial uses, especially in the downtown, by  
25 limiting the availability of leasable commercial spaces for other uses, and placing  
26 upward pressure on rent levels, since a local tasting facility is cheaper and more  
27 feasible for many wineries than providing one on-site.

28 On July 7th, the Council directed staff to research what similar communities have done  
29 to regulate tasting facilities, and identify potential options for regulating tasting facilities,  
30 with the Planning Commission's input. It was the consensus of the Planning  
31 Commissioners in attendance at its August 12th meeting that wine tasting facilities are

32 not currently overrepresented in the downtown. However, the Commission expressed  
33 support for a policy that would encourage the inclusion of unrelated retail in larger  
34 tasting facilities fronting Lincoln Avenue in order to provide diversity in the downtown.

35 After considering various options presented by staff on September 1st, it was the  
36 consensus of the Council to adopt a policy requiring new tasting facilities to include a  
37 secondary retail use in order to promote retail diversity in the downtown, following input  
38 from the Commission and community.

### 39 **DISCUSSION**

40 The policy included in the attached draft resolution would require new wine tasting  
41 facilities to include a secondary retail use. Adoption of a policy instead of incorporating  
42 regulations into the Municipal Code is recommended in order to avoid a cumbersome  
43 process in the future if the City wishes to change the provisions.

44 The proposed provisions follow, along with a discussion of each:

- 45 • *Wine tasting facilities located within the Downtown Commercial Zoning District*  
46 *and that are approved after the effective date of this resolution shall provide a*  
47 *secondary retail use in order to promote a diversity of retail in the downtown. This*  
48 *requirement shall not apply to wine tasting activities that are accessory to a*  
49 *primary business.*

50 Staff recommends subjecting all tasting facilities in the Downtown Commercial  
51 Zoning District to the policy, regardless of whether they are located on Lincoln  
52 Avenue, in order to promote retail diversity throughout the downtown. However, it  
53 would not apply to wine tasting activities that are accessory to a primary business  
54 (such as the wine tasting bar at All Seasons Restaurant), since there are already  
55 two activities in the business.

- 56 • *The secondary retail use shall be distinct from the wine tasting use and not*  
57 *involve wine-related goods in order to meet the goal of maintaining retail*  
58 *diversity.*

59 The intent of this provision is to affirm that merchandise with a winery's logo and  
60 other wine-related goods (such as corkscrews and wine coolers) is not  
61 considered a secondary retail use.

- 62 • *The secondary retail use shall be sufficiently substantial in quantity, availability*  
63 *and display presentation to provide an independent shopping opportunity apart*  
64 *from the primary retail use. "Token" efforts to provide secondary retail items are*  
65 *not acceptable.*

66 Attempts by Yountville to require that a specified amount of floor space be  
67 devoted to the secondary retail use have proved to be problematic, such as when  
68 the secondary use is art displayed on walls, the secondary retail is small or large  
69 merchandise (such as jewelry or furniture) or the tasting facilities includes a  
70 limited or expansive amount of public floor area. It also leads to the question of  
71 whether to count a certain amount of circulation area towards the specified area  
72 where goods are displayed in a free-standing manner (such as on a table). Staff

73 believes that the characteristics of the secondary retail use proposed by each  
74 tasting facility application should be judged on a case-by-case basis as to  
75 whether it meets the intent of this provision, rather than specifying an amount for  
76 all tasting facilities.

- 77 • *The secondary retail use shall be maintained as an essential element of the total*  
78 *operation and its merchandise shall remain available for inspection and purchase*  
79 *at all times the tasting facility is open to the general public.*

80 This provision would exempt tasting facilities from dealing with the secondary  
81 retail use during private winery events.

- 82 • *Exterior signage shall include the secondary retail use.*

83 This provision is necessary in order to advise the public of a secondary retail  
84 use's existence within a tasting facility.

- 85 • *The nature of the secondary use shall be approved concurrent with the use*  
86 *permit approval of the tasting facility. A subsequent change to the secondary*  
87 *use, such as the type of retail offered or its location within the tasting facility, shall*  
88 *be subject to approval of an amendment to the use permit.*

89 The Commission should consider whether it would be appropriate to delegate  
90 review of a proposed amendment to staff, which could refer the proposal to the  
91 Commission if there is an issue as to its appropriateness.

- 92 • *The Planning and Building Director shall automatically initiate the revocation of a*  
93 *use permit for a wine tasting facility whose use is discontinued for more than 180*  
94 *days.*

95 This provision would maximize the City's ability to review use permits for new  
96 wine tasting facilities. The Municipal Code includes this provision for all use  
97 permits, however, it is not staff's standard practice to monitor conditionally-  
98 permitted uses and automatically begin revocation proceedings after 180 days of  
99 the use lapsing.

## 100 **RECOMMENDATIONS**

101 Staff recommends that the Planning Commission:

- 102 1. Hold a public hearing on the proposed policy
- 103 2. Discuss the proposed policy and revise as appropriate
- 104 3. Recommend to the City Council adoption of a policy requiring new wine tasting  
105 facilities to include a secondary retail use.

## **ATTACHMENTS**

1. Draft resolution
2. Downtown Commercial Zoning District map