

# **MEMORANDUM**

Date:

April 18, 2017

To:

Council Members, Sean McGlynn, Gloria Hurtado, Teresa Stricker, Daisy

Gomez

From:

Liz Licursi

Subject:

Support AB 297: Alcoholic beverages: licenses: wine and food cultural

museum and educational center

Attached is the letter of support for AB 297: Alcoholic beverages: licenses: wine and food cultural museum and educational center.

Due to the time constraints and a matter of urgency, the Mayor has signed this letter and it has been been sent to the appropriate Committee/Member. You are receiving a copy of the letter and bill, as per Council Policy 000-40.



March 24, 2017

The Honorable Marc Levine California State Assembly, District 10 California State Capitol, Room 5135 Sacramento, CA 94249-0010

Re: SUPPORT FOR AB 297

Dear Assembly Member Levine,

Thank you for advancing efforts for the liquor license legislation for the California Wine Center project in Santa Rosa. I am writing in support of AB 297 to grant the project a "Type 78" liquor license.

CHRIS COURSEY Mayor

JACK TIBBETTS Vice Mayor

JULIE COMBS ERNESTO OLIVARES CHRIS ROGERS JOHN SAWYER TOM SCHWEDHELM This license will be an important tool for the California Wine Center to attain viability and stability for the long term. Specifically, it will allow other ABC license holders to serve on its board and work in its operation without violating California's Tied House Laws and will permit the nonprofit to accept donated alcoholic beverage product and use it to advance its mission through sale and/or service on- or off- premise.

Located in a recently redeveloped building, the California Wine Center will be transformative for downtown Santa Rosa. Preserving, protecting and celebrating the rich history, importance, and leadership of the California wine industry is important, and dedicating a facility to this purpose is long overdue. It will provide a valuable asset for the California wine industry; its mission to serve as an education portal for wine country visitors, a convening location for the wine industry, and a catalyst for economic expansion and workforce development is realistic and achievable. The vision and goals of the California Wine Center will be fortified and amplified by passage of the legislation granting its right to the "Type 78" license.

The timing of the development and launch of the California Wine Center is fortuitous. As we struggle with ways to protect our agricultural lands and preserve the rural character of our most notable wine-grape growing regions, the California Wine Center will play an important role. Orienting, educating and managing wine country visitors will soften their environmental impact while simultaneously increasing their economic value.

The California Wine Center's location in an urban area served by mass transit has the potential to reduce the vehicle load on our roads, as is its proximity to the largest hotel room inventory in the area. The project is within walking distance of the soon-

to-open SMART rail depot and Class I bike and hike trail. The California Wine Center's location and imprimatur will establish it as an industry-focused convening and assembly venue serving area wineries for trade education, promotion, and marketing events.

This is an important project for Santa Rosa, Sonoma County, the State of California, and its celebrated and revered wine industry.

We are pleased to add our name to the supporters of the California Wine Center and applaud your dedication to help the project achieve its goals.

Best regards,

**Chris Coursey** 

Mayor

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AB-297 Alcoholic beverages: licenses: wine and food cultural museum and educational center. (2017-2018)

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CALIFORNIA LEGISLATURE --- 2017-2018 REGULAR SESSION

**ASSEMBLY BILL** 

No. 297

**Introduced by Assembly Member Levine** (Coauthor: Assembly Member Wood)

February 06, 2017

An act to amend Section 23396.2 of the Business and Professions Code, relating to alcoholic beverages.

## LEGISLATIVE COUNSEL'S DIGEST

AB 297, as introduced, Levine. Alcoholic beverages: licenses: wine and food cultural museum and educational center.

The Alcoholic Beverage Control Act contains provisions for various types of licenses that permit licensees to furnish alcoholic beverages under designated circumstances, including an on-sale general license for a wine, food and art cultural museum and educational center located in the County of Napa that would authorize described persons to sell, furnish, or give alcoholic beverages for consumption on the premises and various off-sale privileges.

This bill would revise the provisions relating to ownership of any interest in the premises and license of a wine, food and art cultural museum and educational center and would authorize a similar on-sale general license for a wine and food cultural museum and educational center, located in the County of Sonoma, that would authorize described persons to sell, furnish, or give alcoholic beverages for consumption on the premises and various offsale privileges.

This bill would make legislative findings and declarations as to the necessity of a special statute for the County of Sonoma.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 23396.2 of the Business and Professions Code is amended to read:

23396.2. (a) An on-sale general license for a wine, food and art cultural museum, and educational center and an on-sale general license for a wine and food cultural museum and educational center authorizes those persons described in subdivision (b) to sell, furnish, or give alcoholic beverages for consumption on the premises and offsale privileges, as further qualified herein.

(b) (1) For purposes of this division, "a wine, food and art cultural museum, and educational center" is a person which meets all the following conditions:

### (1)

(A) The retail premises shall include an auditorium, concert terrace, exhibition gallery, teaching kitchen, and library and may be adjacent to a bona fide eating place as defined in Section 23038.

#### (2

- (B) The premises is located in-Napa-County, the County of Napa, operated by a nonprofit entity that is exempt from payment of income taxes-under as an organization described in Section 501(c)(3) of the Internal Revenue Code, and includes real estate improvements of a value of at least forty-five million dollars (\$45,000,000).
- (2) For purposes of this division, "a wine and food cultural museum and educational center" is a person that meets all the following conditions:
- (A) The retail premises shall include an auditorium, exhibition gallery, teaching kitchen, and library and may be adjacent to a bona fide eating place as defined in Section 23038.
- (B) The premises is located in the County of Sonoma, operated by a nonprofit entity that is exempt from payment of income taxes as an organization described in Section 501(c)(3) of the Internal Revenue Code, and includes real estate improvements of a value of at least ten million dollars (\$10,000,000).
- (c) (1) The department shall upon request and qualification issue an on-sale general wine, food and art cultural museum, and educational center a licensee located in the County of Napa a duplicate of the original license for a premises located on commonly owned property contiguous to, or in close proximity to the original licensed premises. As used in this section, "close proximity" shall mean the original licensed premises is no further than 900 feet from the premises issued the duplicate license regardless of whether the two premises are separated by a public or private street, alley, or sidewalk.
- (2) The department shall upon request and qualification issue a licensee located in the County of Sonoma a duplicate of the original license for a premises located on commonly owned, leased, or managed property contiguous to, or in close proximity to the original licensed premises. As used in this section, "close proximity" shall mean the original licensed premises is no further than 900 feet from the premises issued the duplicate license regardless of whether the two premises are separated by a public or private street, alley, or sidewalk.
- (d) There shall be no limit as to the number of events held on an on-sale general wine, food and art cultural museum, and educational center a licensed premises or duplicate premises at which a person or persons issued caterer's permits under Section 23399 may sell alcoholic beverages so long as the on-sale general license for a wine, food and art cultural museum, and educational center license surrenders its license privileges for any portion of the premises at which a catered event is held for the duration of the event.
- (e) A wine, food and art cultural museum, and educational center licensee licensed under this section shall not be included in the definition of "public premises" under Section 23039.
- (f) The provisions of Article 2 (commencing with Section 23815) of Chapter 5 do not apply to the issuance of on-sale general licenses for a wine, food and art cultural museum, and educational center. An on-sale wine, food and art cultural museum, and educational center license a license issued pursuant to this section. A license issued pursuant to this section may be transferred to another person, qualified pursuant to subdivision (b), but not to another location. A licensee specified in this section shall purchase no alcoholic beverages for sale in this state other than from a wholesaler or winegrower licensee. Notwithstanding any other provision of this division, licensees may donate wine to a person licensed under this section.
- (g) Notwithstanding any other provision of this division, a manufacturer, winegrower, manufacturer's agent, California winegrower's agent, rectifier, distiller, bottler, importer, or wholesaler or the holder of an importer's general license may hold the ownership of any interest, directly or indirectly, in the premises and in the license—of a wine, food and art cultural museum, and educational center, issued pursuant to this section, may serve as an officer, director, employee, or agent of a wine, food and art cultural museum, and educational center that licensee, and may sponsor or fund educational programs, special fundraising and promotional events, improvements in capital projects, and the development of exhibits or facilities of and for a wine, food and art cultural museum, and educational center that licensee provided the number of items of beer, wine, or distilled spirits by brand, exclusive of wine labeled for the—wine, food and art cultural museum, and educational center

licensee authorized in subdivision (a) of this section, offered for sale by the wine, food and art cultural museum, and educational center licensee, which are produced, bottled, rectified, distilled, processed, imported, or sold by an individual licensee holding an interest in, serving as an officer, director, employee or agent of, or sponsoring or funding the programs and projects of the retail licensee, does not exceed 15 percent of the total items of beer, wine, or distilled spirits by brand listed and offered for sale in the retail licensed premises.

- (h) An applicant for an original on-sale general license for a wine, food and art cultural museum, and educational center or for an original on-sale general license for a wine and food cultural museum and educational center shall, at the time of filing the application for the license, accompany the application with a fee of twelve thousand dollars (\$12,000). The annual renewal fee for a license issued pursuant to this section shall be the same as the applicable renewal fee for an on-sale general license.
- (i) An applicant for a duplicate on-sale general license for a wine, food and art cultural museum, and educational center or for a duplicate on-sale general license for a wine and food cultural museum and educational center shall, at the time of filing the application for the license, accompany the application with a fee equal to the license fee for an on-sale general license. The annual renewal fee for a duplicate license issued pursuant to this section shall be the same as the applicable renewal fee for an on-sale general license.
- **SEC. 2.** The Legislature finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique conditions in the County of Sonoma.