

Agenda Item: Zoning Motion 2013 - 1 Breweries

DATE: June 4, 2013
RE: Decision on Zoning Motion 2013
FROM: Jim King

Background/Issue:

The Planning Department has received a number of inquires for locations where breweries and brewpubs are allowed. Though the ordinance currently has language that addresses the manufacturing of alcohol, it does not clearly address smaller operations such as breweries with tap rooms and brewpubs. The purpose of this text is to define breweries and their related uses and indicate what zoning districts such uses should be allowed. During the Public Hearing, Town Council suggested removing the text referencing amplified sound under Section 153.197 (C). Staff removed that language and replaced it with text that states: "all activities shall comply with the Town of Matthews Noise Ordinance". On May 21, 2013 the Planning Board voted unanimously to recommend approval by the Town Board. The proposed text is attached.

Proposal/Solution:

Council can consider approval of the proposed text revisions that defines the different types of breweries and brewpubs and the appropriate locations for such establishments.

Related Town Goal:

Public Safety
Economic Development/Land Use Planning

ZONING MOTION 2013-1

**ADD DEFINITIONS AND PROVISIONS FOR MICROBREWERIES AND BREWPUBS
IN VARIOUS ZONING DISTRICTS**

Draft text updated as of May 7, 2013

Section 153.007 Definitions

(New) **Microbrewery.** An establishment where beer and malt beverages are made on the premises and then sold or distributed, and which produces less than 15,000 barrels (a barrel is approximately 31 gallons) of beer per year. Microbreweries sell to the public by one or more of the following methods: the traditional three-tier system (brewer to wholesaler to retailer to consumer); the two-tier system (brewer acting as wholesaler to retailer to consumer); and directly to the consumer.

(New) **Brewpub.** An establishment where beer and malt beverages are made on the premises in conjunction with a restaurant or bar and where 40% or more of the beer produced on site is sold on site. Where allowed by law, brewpubs may sell beer "to go" and /or distribute to off site accounts.

(New) **Large Brewery.** An establishment where beer and malt beverages are made on the premises at an annual beer production rate of over 15,000 barrels.

(New) **Tap Room.** A room that is ancillary to the production of beer at a microbrewery, brewpub , or large brewery where the public can purchase and /or consume only the beer produced on site.

Add to permitted uses for the following section:

(New)

1. 153.062 (B) (135) Industrial Districts – Large Brewery. (I-2 Only)

Add to Uses with prescribed conditions for the following sections:

(New)

1. 153.060 (C) (36) Business Districts Microbrewery and Brewpub B-1, B-2, B-3. See Section 153.197
2. 153.061 (C) (15) Historic Urban Core District - Microbrewery and Brewpub. See Section 153.197
3. 153.062 (C) (21) Industrial Districts Microbrewery and Brewpub. See Section 153.197

Add to Special Requirements for Certain Districts:

(New) Section 153.197 Microbrewery and Brewpub

1. Brewpubs are allowed in B-1, B-2, B-3, HUC, B-1SCD, MUD, I-1, and I-2 districts with the following prescribed conditions:
 - A. In the HUC district a brewpub can not exceed 5000 square feet gross floor area.
 - B. In the B-1, B-3, and I-1 districts a brewpub cannot exceed 7500 square feet gross floor area.
 - ~~C. No outdoor amplified sound will be permitted after 11:00 pm within 500 feet of a street level residential use. (Removed per Town Board Comment) All activities shall comply with the Town of Matthews Noise Ordinance.~~
 - D. Brewpubs are allowed in the B-1SCD and MUD districts the same as in a B-1 District.

2. Microbreweries are allowed in B-1, B-2, B-3, HUC, B-1SCD, MUD, I-1, and I-2 districts with the following prescribed conditions:
 - A. In the HUC district a microbrewery can not exceed 5000 square feet gross floor area.
 - B. In the HUC microbreweries shall have a tap room that is oriented to the street or main pedestrian entrance of the building. A minimum of 500 square feet shall be provided for the tap room and this area shall be open for business at least one quarter of the time each week the business facility is operating.
 - C. In the B-1, B-3, and I-1 districts a microbrewery cannot exceed 7500 square feet gross floor area.
 - E. No loading or distribution activities shall take place outside of the enclosed building between the hours of 9:00 pm and 7:00 am when the microbrewery is located within 500 feet of any residential or institutional use.
 - F. Microbreweries are allowed in the B-1SCD and MUD districts the same as in a B-1 District.

ZONING MOTION 2013-1

ADD DEFINITIONS AND PROVISIONS FOR MICROBREWERIES AND BREWPUBS
IN VARIOUS ZONING DISTRICTS

Draft text updated as of May 7, 2013

Section 153.007 Definitions

(New) Microbrewery. An establishment where beer and malt beverages are made on the premises and then sold or distributed, and which produces less than 15,000 barrels (a barrel is approximately 31 gallons) of beer per year. Microbreweries sell to the public by one or more of the following methods: the traditional three-tier system (brewer to wholesaler to retailer to consumer); the two-tier system (brewer acting as wholesaler to retailer to consumer); and directly to the consumer.

(New) Brewpub. An establishment where beer and malt beverages are made on the premises in conjunction with a restaurant or bar and where 40% or more of the beer produced on site is sold on site. Where allowed by law, brewpubs may sell beer "to go" and /or distribute to off site accounts.

(New) Large Brewery. An establishment where beer and malt beverages are made on the premises at an annual beer production rate of over 15,000 barrels.

(New) Tap Room. A room that is ancillary to the production of beer at a microbrewery, brewpub, or large brewery where the public can purchase and /or consume only the beer produced on site.

Add to permitted uses for the following section:

(New)

1. 153.062 (B) (135) Industrial Districts – Large Brewery. (I-2 Only)

Add to Uses with prescribed conditions for the following sections:

(New)

1. 153.060 (C) (36) Business Districts Microbrewery and Brewpub B-1, B-2, B-3. See Section 153.197
2. 153.061 (C) (15) Historic Urban Core District - Microbrewery and Brewpub. See Section 153.197
3. 153.062 (C) (21) Industrial Districts Microbrewery and Brewpub. See Section 153.197

Add to Special Requirements for Certain Districts:**(New) Section 153.197 Microbrewery and Brewpub**

1. Brewpubs are allowed in B-1, B-2, B-3, HUC, B-1SCD, MUD, I-1, and I-2 districts with the following prescribed conditions:
 - A. In the HUC district a brewpub can not exceed 5000 square feet gross floor area.
 - B. In the B-1, B-3, and I-1 districts a brewpub cannot exceed 7500 square feet gross floor area.
 - C. No outdoor amplified sound will be permitted after 11:00 pm within 500 feet of a street level residential use.
 - D. Brewpubs are allowed in the B-1SCD and MUD districts the same as in a B-1 District.

2. Microbreweries are allowed in B-1, B-2, B-3, HUC, B-1SCD, MUD, I-1, and I-2 districts with the following prescribed conditions:
 - A. In the HUC district a microbrewery can not exceed 5000 square feet gross floor area.
 - B. In the HUC microbreweries shall have a tap room that is oriented to the street or main pedestrian entrance of the building. A minimum of 500 square feet shall be provided for the tap room and this area shall be open for business at least one quarter of the time each week the business facility is operating.
 - C. In the B-1, B-3, and I-1 districts a microbrewery cannot exceed 7500 square feet gross floor area.
 - E. No loading or distribution activities shall take place outside of the enclosed building between the hours of 9:00 pm and 7:00 am when the microbrewery is located within 500 feet of any residential or institutional use.
 - F. Microbreweries are allowed in the B-1SCD and MUD districts the same as in a B-1 District.

ZONING MOTION 2013-1

INITIATED BY MATTHEWS PLANNING DEPARTMENT

MOTION TO CHANGE: X **TEXT**
 DISTRICT BOUNDARIES

(IF FOR A CHANGE IN DISTRICT BOUNDARIES, LIST PARCEL(S) AFFECTED)

DATE OF INITIAL DISCUSSION TO SET HEARING 4-8-13

PUBLIC HEARING DATE 5-13-13

PROPOSED ACTION

Add new definitions and regulations for breweries and what districts they are allowed

AFFECTED AND/OR ADJACENT PROPERTY OWNERS NOTIFIED N/A

ATTACHMENTS INCLUDE Proposed new text at multiple sections of the Zoning Ordinance

PROTEST PETITION FILED? **YES (IF YES, DATE)**
 N/A **NO**

OTHER COMMENTS: Breweries are not defined or addressed in the current zoning ordinance

Section 153.007 Definitions

(New) **Brewery:** An establishment where beer and malt beverages are made on the premises and then sold or distributed. They are defined and characterized as one of the following types of establishments:

(New) **Microbrewery:** a brewery that produces less than 15,000 barrels (17,600 hectoliters) of beer per year with 75% or more of its beer sold off-site. Microbreweries sell to the public by one or more of the following methods: the traditional three-tier system (brewer to wholesaler to retailer to consumer); the two-tier system (brewer acting as wholesaler to retailer to consumer); and, directly to the consumer through carry-outs and/or on-site tap-room or restaurant sales.

(New) **Brewpub:** A restaurant-brewery that sells 25% or more of its beer on site. The beer is brewed primarily for sale in the restaurant and bar. The beer is often dispensed directly from the brewery's storage tanks. Where allowed by law, brewpubs often sell beer "to go" and /or distribute to off site accounts. Note: BA (the Brewers' Association) re-categorizes a company as a microbrewery if its off-site (distributed) beer sales exceed 75%.

(New) **Regional Brewery:** A brewery with an annual beer production of between 15,000 and 6,000,000 barrels.

(New) **Large Brewery:** A brewery with an annual beer production over 6,000,000 barrels.

Add to permitted uses for the following sections:

(New)

1. 153.060 Business Districts – Microbrewery and Brewpub in B-1 and B-2 (if located in the downtown overlay shall comply with the regulations for the HUC district Section 152.197)
2. 153.062 Industrial Districts – Microbrewery, Brewpub and Regional Brewery in I-1 and I-2(if located in the downtown overlay shall comply with the regulations for the HUC district Section 152.197) Large Brewery in I-2 only

Add to Uses with prescribed conditions for the following section:

1. 153.061 Historic Urban Core District - Microbrewery and Brewpub , See Section 153.197

(New) Section 153.197 Microbrewery and Brewpub

1. Any microbrewery or brewpub located in the Downtown Overlay District shall comply with the Downtown Overlay District regulation in addition to the following requirements:
 - a. If located in the HUC the establishment shall occupy buildings that are characterized as shopfront or an adaptive reuse of an existing structure. Said use can be in a free standing or attached structure and the use can not exceed 10,000 square feet. Micro Breweries shall have a tap room that is oriented to the front of the building and is no less than 150 square feet.
 - b. Located outside of the HUC district such establishments shall not exceed 12,000 square feet. Micro Breweries shall have a tap room that is oriented to the front of the building and is no less than 150 square feet.
 - c. Only microbreweries and brewpubs are allowed in any of the non-residential districts located in the Downtown Overlay
2. Establishments in B1 and B2 districts shall not exceed 15,000 square feet in size