# STAFF REPORT

**Case No.** 0415-08 **HTE No.** 15-10000017

Planning Commission Hearing Date: April 22, 2015

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Applicant/Owner: Corpus Bayside Investments, LLC

**Legal Description/Location:** Lot 15, Block 2, Flour Bluff Estates #2, located at the northwest corner of Scotland Drive and Naval Air Station

Drive.

Zoning Request From: "CG-1" General Commercial District

**To**: "IL" Light Industrial District

Area: 0.22 acres

Purpose of Request: To allow a micro-brewery.

		Existing Zoning District	Existing Land Use	Future Land Use
Existing Zoning and Land Uses	Site	"CG-1" General Commercial	Commercial	Commercial
	North	"CG-1" General Commercial	Commercial	Commercial
	South	"CG-1" General Commercial and "CG-1-SP" General Commercial with Special Permit	Commercial	Commercial
Ш́	East "CG-1" General Commercial		Public/Semi-Public	Commercial
	West	"RS-6" Single-Family	Low Density Residential	Commercial

ADP, Map & Violations

**Area Development Plan**: The subject property is located within the boundaries of the Flour Bluff Area Development Plan and is planned for commercial uses. The proposed rezoning to the "IL" Light Industrial District remains inconsistent with the adopted Future Land Use Plan.

Map No.: 034032

**Zoning Violations**: N/A

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**Transportation and Circulation**: The subject property has approximately 65 feet of street frontage along Naval Air Station Drive, which is an "A-3" Primary Arterial and 150 feet of street frontage along a proposed section of Scotland Drive, which is a Local Street.

R.O.W.	Street	Urban Transportation Plan Type	Proposed Section	Existing Section	Traffic Volume (2013)
Street R.C	Naval Air Station Drive	"A-3" Primary Arterial	N/A	130' ROW 79' paved	N/A
Str	Scotland Drive	Local Street	N/A	50' ROW 28' paved	N/A

## **Staff Summary**:

**Requested Zoning**: The applicant is requesting a rezoning from the "CG-1" General Commercial District to the "IL" Light Industrial District to allow the operation of a microbrewery. A micro-brewery is not defined in the Unified Development Code, but other cities define it generally as, "A small-scale brewing facility designed for the production of malt liquors such as beer and ale, using grains such as oats, hops, rice, wheat and barley, designed and managed to brew no more than seventy-five (75,000) barrels of beer per year". Staff determined the best category for a micro-brewery is "IL" which is a light industrial district.

**Development Plan:** The applicant proposes to operate a micro-brewery out of an existing building approximately 1050 square feet in size. The brewing operation, packaging and distribution of the product would encompass the majority of the building; however, approximately 231 square feet of the building is proposed to be used for onsite retail consumption of the beer brewed on the property. The applicant indicates that their initial setup will allow them to produce approximately 1,500 barrels of beer per year with the availability of growth up to 5,000 barrels. The applicant indicates the business would have five employees and hours of operation would be 8:00 A.M. to 6:00 P.M. Monday through Friday.

**Existing Land Uses & Zoning**: The current use of the property is commercial. North, south, and east of the subject property are commercial uses. West of the subject property are single-family dwellings zoned "RS-6" Single Family 6 District.

**AICUZ:** The subject property is <u>not</u> located in one of the Navy's Air Installation Compatibility Use Zones (AICUZ).

**Plat Status:** The subject property is platted.

### **Comprehensive Plan & Area Development Plan Consistency:**

The proposed designation of "IL" Light Industrial District is not consistent with the Future Land Use Plan or the Four Bluff Area Development Plan. With further analysis, based on the described operations, scale of the operation, staff concludes that the proposed business would not alter the overall character of the area and intent of the land use plan. The business if permitted to operate at this location would further various goals of the Comprehensive Plan and the Flour Bluff Area Development Plan that pertain to economic development and infill development.

#### **Department Comments:**

A micro-brewery is currently not a use classified in the Unified Development Code. In reviewing this request, staff compared the use as described to uses currently classified to determine similarity. It was determined that the use is most similar to uses classified in a heavier commercial or industrial district given the manufacturing and wholesale facets of the proposed business. A retail component is proposed, however, it is clear the retail component is not the primary use. If the retail component were the primary use, it could be easily be interpreted the use is a permitted use in the "CG-1" General Commercial District.

In further consideration of this application, Staff reviewed the existing zoning designation of the property, the future land use plan designation of the property, consistency with the City's Comprehensive Plan and the Flour Bluff Area Development Plan. Staff also reviewed proposed operations, particularly the scale thereof and existing development in the immediate vicinity. The scale of the operations proposed is very limited in nature with respect to the size of the facility and, the number of gallons of beer to be produced.

Staff researched other cities' codes for guidance on this matter. Staff found that other cities are transitioning to allow microbreweries to operate in general commercial zones as well as industrial zones. Some cities permit microbreweries in general commercial zones with special use permits. San Antonio for example allows microbreweries in their "C-3" General Commercial zone.

The subject area has industrial development in the area as well as some properties currently zoned "IL" Light Industrial, however, based on the Future Land Use Plan's designation of the property as "CG-1" General Commercial, Staff finds it most appropriate for the property to remain zoned "CG-1". Staff does find the use as described appropriate for the subject location based on scale and operations of the business and existing development in the area.

The Unified Development Code Section 3.6.1D permits a special permit to be granted in lieu of granting a rezoning to the broader classification when the applicant has plans of sufficient detail showing the full extent of the proposed use of the buildings, structures, and premises and including provisions for sufficient off-street parking facilities, screening walls or fences, landscaping, and open space so as to create a transition between a lesser, more restricted district and the proposed district.

**The Unified Development Code**: The Unified Development Code sets forth review criteria for special use permits. Review criteria applicable to this application are summarized as follows:

- The use is compatible with the surrounding uses.
- The impact of the use on public infrastructure does not negatively impact existing uses in the area.
- The use does not substantially adversely affect adjacent and neighboring uses permitted.
- The use does conform in all other respect to regulations and standards in this Unified Development Code.
- The development will meet Unified Development Code requirements for off-street parking and loading facilities.

## **Staff Recommendation:**

Denial of the change of zoning from the "CG-1" General Commercial District to the "IL" Light Industrial District and, in lieu thereof, approval of the "CG-1/SP" General Commercial District with a Special Permit for a Micro-brewery with the following conditions and limitations:

- 1. The maximum number of barrels of beer that may be manufactured at this property shall be limited to 5,000 gallons per year.
- 2. Business operations shall include retail on-site consumption of beer with a minimum area consisting of 230 square feet dedicated to the retail component of the business. Elimination of the retail component will result in the termination of the Special Permit.
- 3. Hours of operation shall be 8:00 A.M. to 6:00 P.M.
- 4. Deliveries: An 18 wheeler shall not deliver or pick up from the premises more than once a week and deliveries shall occur between 8:00 A.M. and 5:00 P.M.
- 5. Time Limit: In accordance with the UDC, this Special Permit shall be deemed to have expired within 12 months of this ordinance unless a complete building permit application has been submitted, and the Special Permit shall expire if the allowed use is discontinued for more than six consecutive months.

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Number of Notices Mailed - 21 within 200-foot notification area

7 outside notification area

As of April 15, 2015:

In Favor – 0 inside notification area

- 0 outside notification area

In Opposition – 0 inside notification area

- 0 outside notification area

Totaling 0.00% of the land within the 200-foot notification area in opposition.

### Attachments:

- 1. Location Map (Existing Zoning & Notice Area)
- 2. Floor Layout
- 3. Site Plan

