



Date of Council meeting: June 24, 2013

TOWN OF LEESBURG
TOWN COUNCIL REGULAR MEETING

SUBJECT: Initiation of Zoning Ordinance text amendments to add Microbrewery as a by-right use with use standards in the B-1, B-2, B-3 and B-4 Zoning Districts.

STAFF CONTACT: Christopher Murphy, AICP, Zoning Administrator

ISSUE: Should the Zoning Ordinance be amended to permit small-scale microbrewery uses as a by-right use, with use standards that guarantee mitigation of potential impacts on the adjoining uses, in the Town's "B" Districts?

RECOMMENDATION: I recommend that Council adopt a resolution to initiate Zoning Ordinance text amendments to the B-1, Community (Downtown) Commercial, B-2, Established Corridor Commercial, B-3, Community Retail/Commercial and B-4, Mixed Use Business Zoning Districts to permit Microbrewery as a by right use subject to use standards.

BACKGROUND:

Existing Zoning Ordinance Provisions

The Zoning Ordinance currently defines two types of brewing operations, a "brewpub" and a "microbrewery".

A "brewpub" is defined in Sec. 18.1.20.1 as:

A restaurant that prepares handcrafted beer, and/or other malt beverages, as an accessory use intended for consumption on the premises or sold for consumption off premises in hand-capped or sealed containers in quantities up to one-half barrel (or 15.5 gallons), up to a maximum total of 5,000 barrels (31 gallons/barrel) per year. The area used for brewing, including bottling and kegging, shall not exceed 25 percent of the total floor area of the use."

Simply put, a brewpub is a restaurant that has a brewing component where most or all of what is brewed on premises is consumed on premises.

The use is permitted by-right in the B-1, B-2, B-3 and B-4 zoning districts unless one or more of the performance standards are not met. In those cases, the brewpub will require

special exception approval. There are four performance standards that apply to the use provided in Zoning Ordinance Sec. 9.3.2.1:

A. By Right. Brewpubs are permitted by right in accordance with the use standards provided below:

1. All brewing ingredients shall be stored indoors.
2. All exhaust from the brewing process shall be collected in a non-venting, stack condenser-type system and not vented directly into the atmosphere.
3. Any spent grains intended for pick-up or delivery for use as feed shall be stored in containers kept indoors prior to pick-up/delivery.
4. Any dumpsters where spent grains or other bi-product of the brewing process are disposed of shall be secured so as to block odors and prevent rodent infiltration.

B. Special Exception. Brewpubs shall require special exception approval in the following cases:

1. The proposed brewpub does not comply with all four of the standards for a by right brewpub set forth in Sec. 9.3.2.1.A.
2. Storage silos may only be permitted by special exception.

A “microbrewery” is defined in Sec. 18.1.104.1 as:

A facility for the production and packaging of beer, and/or other malt beverages, for distribution, retail or wholesale, on or off premises, with a maximum capacity of not more than 15,000 barrels (31 gallons/barrel) per year. A microbrewery may include, as an accessory use, a restaurant or bar not to exceed more than 25 percent of the total floor area of the use.

Simply put, a microbrewery is a brewery that may or may not have a restaurant or tasting room. Most or all of the product brewed by a microbrewery is consumed off premises.

The use is permitted by-right in the I-1 District and by special exception in the B-2, B-3 and B-4 Districts. The Zoning Ordinance provides performance standards that apply to the use in all cases. Those standards are found in Sec. 9.3.13.1 and include the following:

- A.** All brewing ingredients shall be stored indoors, in sealed containers, off the floor, and in accordance with all applicable Health Department regulations.
- B.** All exhaust from the brewing process shall be collected in a non-venting, stack condenser-type system and not vented directly into the atmosphere.
- C.** Any spent grains intended for pick-up or delivery for use as feed shall be stored in sealed containers and kept indoors prior to pick-up/delivery.
- D.** Any dumpsters where spent grains or other bi-product of the brewing process are disposed of shall be secured so as to block odors and prevent rodent infiltration.
- E.** Storage silos may only be permitted by special exception.

Smaller-Scale Microbrewery Models

Within recent years the popularity of craft brewing has spawned various models of brewing that do not fall neatly into the Zoning Ordinance’s current definitions of microbrewery or brewpub. These other models of craft brewing operations are typically lesser in scale or intensity of brewing operation contemplated by the Town’s current definition of Microbrewery, (e.g. nanobrewery). This amendment is intended to acknowledge the existence of these small-scale operations and their lesser adverse impact potential thereby justifying allowing them by right in “B” Districts.

Recently, the Town has been approached by an individual interested in establishing a small-scale microbrewery in the downtown. As told to staff, this individual would have a microbrewery that produces volumes ranging from 3,000 to 5,000 barrels per year – within the range of product permitted for a brewpub. There will not be a restaurant with this use, but it will contain a small tasting room that will occupy less than 25% of the total gross floor area.

Summary:

This amendment is intended to revise the use regulations pertaining to Microbrewery use that acknowledges there is a less-intensive version of this use that, with specific use standards, can mitigate potential adverse impacts on neighboring properties endemic of larger more industrial-scale uses and be permitted as a by-right use within all of the Town’s existing “B” commercial districts, including the B-1.

This amendment will assist the Town in capturing a piece of the growing market trend in the craft brewing business to establish small-scale, local microbreweries and/or nanobreweries as business start-ups. Such uses play into the local winery and farm-to-fork efforts and capture tourism dollars through inclusion in associated tour offerings.

Timing:

If this initiation is passed by Council, the amendment will be added to this year’s Zoning Ordinance Batch Amendment. The Batch Amendment process begins on July 1 with Planning Commission public hearing anticipated for October and Council public hearing and adoption anticipated in November or December.

Attachment: Draft Resolution

PRESENTED June 25, 2013

RESOLUTION NO.: _____

ADOPTED June 25, 2013

A RESOLUTION: INITIATING AMENDMENTS TO THE LEESBURG ZONING ORDINANCE SECTIONS 6.3.2., 6.4.2., 6.5.2., 6.6.2., 9.2., AND 9.3.13.1 TO PERMIT MICROBREWERY BY RIGHT IN THE B-1 COMMUNITY (DOWNTOWN) BUSINESS, B-2, ESTABLISHED CORRIDOR COMMERCIAL, B-3, COMMUNITY RETAIL/COMMERCIAL, AND B-4, MIXED USE BUSINESS ZONING DISTRICTS

WHEREAS, the use “Microbrewery” was added to the Zoning Ordinance in December, 2012 by Ordinance 2012-O-020 for use in the B-2, B-3, B-4 and I-1 Zoning Districts; and

WHEREAS, Microbrewery is currently a by-right use only in the I-1 Zoning District. Special exception approval is required in the B-2, B-3 and B-4 Districts; and

WHEREAS, a Microbrewery is not permitted I the B-1 District; and

WHEREAS, Microbrewery is defined in Zoning Ordinance Section 18.1.104.1 with Use Standards in Section 9.3.13.1; and

WHEREAS, as defined a Microbrewery can produce volumes up to 15,000 barrels of product per year, something of this size/intensity is best suited for industrial or high intensity commercial districts. The current Microbrewery regulations do not contemplate a smaller-scale, less-intensive version that can be suited, with specific use standards, for all the Town’s non-residential zoning districts as a by-right use; and,

WHEREAS, the public necessity, convenience, general welfare and good zoning practice require the proposed amendments.

RESOLUTION: INITIATING AMENDMENTS TO THE LEESBURG ZONING ORDINANCE SECTIONS 6.3.2., 6.4.2., 6.5.2., 6.6.2., 9.2., AND 9.3.13.1 TO PERMIT MICROBREWERY BY RIGHT IN THE B-1 COMMUNITY (DOWNTOWN) BUSINESS, B-2, ESTABLISHED CORRIDOR COMMERCIAL, B-3, COMMUNITY RETAIL/COMMERCIAL, AND B-4, MIXED USE BUSINESS ZONING DISTRICTS

THEREFORE, RESOLVED by the Council of the Town of Leesburg in Virginia as follows:

SECTION I. Amendments to Zoning Ordinance sections 6.3.2, 6.4.2, 6.5.2, 6.6.2, 9.2., and 9.3.13. are hereby initiated and referred to the Planning Commission to permit Microbrewery as a by-right use, with use standards, in the Town's Business "B" Commercial Districts.

SECTION II. The Planning Commission shall hold a public hearing to consider these amendments to the Zoning Ordinance, and report its recommendation to the Town Council pursuant to Chapter 22, Title 15.2-2204 of the 1950 Code of Virginia, as amended.

PASSED this 25th day of June, 2013.

Kristen C. Umstattd, Mayor
Town of Leesburg

ATTEST:

Clerk of Council