



Planning Commission

Agenda

Study Session

October 24, 2016

Noon

Lausmann Annex — Room 151–157
200 S. Ivy Street, Medford, Oregon

10. Introductions

20. Discussion item

20.1 **DCA-16-026** Craft Alcohol Production in Commercial Districts

20.2 **DCA-16-121** Downtown A-frame Signs text amendment

30. Adjournment



MEMORANDUM

Subject Craft Alcohol Production in Commercial Districts
File no. DCA-16-028
To Planning Commission
From Kyle Kearns, Planner II
Date October 10, 2016 *for 10-24-2016 study session*

CRAFT ALCOHOL PRODUCTION | BACKGROUND

Craft alcohol production falls under a previous code amendment request initiated by an individual wanting to open a microdistillery (craft distillery) in a commercial zone. Planning Commission and staff discussed the code amendment during the study session on March 24, 2016. From there, staff was directed to begin working on the code amendment for microdistilleries, as capacity allowed. The shift to a broader code amendment that covers all “craft” or “boutique” alcohol producers has grown to include brewery–public houses (already permitted), microdistilleries, and small wineries (already permitted) allowing for consistent land use regulations of similar industries.

DRAFT REGULATIONS

Attached to this memo are the draft regulations. Craft alcohol production is addressed in three areas of the Medford Land Development Code (MLDC) being the Definitions, Use Categorization, and Use Regulations.

Part 1: Definitions

In order to properly address the craft alcohol industry, new definitions needed to be added to the MLDC. Staff decided to mirror the format used for marijuana-related businesses by creating an umbrella definition titled Craft Alcohol Production Terms which includes two existing definitions (brewery–public house and small winery) as well as three new definitions (alcoholic spirits, craft alcohol production, and microdistillery).

Part 2: Use Categorization

Craft alcohol producers are relatable to several use categories already addressed by the Standard Industrial Classification (SIC) categories. There are two main functions to a craft alcohol business, production and sales. The MLDC already addresses large scale production and wholesale within the SIC category 20 Food and Kindred Products. Given

this distinction, staff felt the smaller scale production with on-premises sales by the drink better fit within the use category 58 Eating and Drinking Places, specifically replacing 5819 Brewery – Public House with Craft Alcohol Production. Minor changes to correct formatting have also been made in this section.

Part 3: Use Regulations

There are several things to consider when crafting regulations surrounding the craft alcohol industry. Staff addressed the key issues that are typically handled within the MLDC. Some land use considerations that other municipalities have addressed include:

- Outdoor Storage – Staff feels as though the code is vague in this regard. Much like the marijuana regulations, the language requires that all storage, except grain silos, be contained indoors.
- Facility Size/Production Limits – In order to limit the size of facilities in denser areas, staff has limited the amount of space devoted to production to remain under 10,000 sq. ft. when located within the Central Business Overlay. This size was decided upon by looking at existing breweries in downtown Medford and similar facilities across Oregon and other States.
- Loading and Unloading – Addressed in Sections 10.741-10.751
- Distancing Requirements – Staff felt requiring certain distances from other uses would be inconsistent with the MLDC. State regulations may apply in certain instances, but this is largely left to the local municipality.

ATTACHMENTS

Code amendment draft text

“Zoning Practice: Microbreweries,” March 2014, APA

[Part 1. Definitions]

10.012 Definitions, Specific

* * *

Craft Alcohol Production Terms. The following definitions apply to the craft alcohol industry, which includes the uses of brewery–public house, microdistillery and small winery.

Alcoholic spirits. An alcoholic beverage, which is produced through the distillation of a mixture, that is produced from alcoholic fermentation. Some common examples include: brandy, gin, rum, tequila, vodka, or whiskey.

Brewery — Public House. An establishment where beer is brewed and served on site. The use requires a brewery–public house license issued by the State of Oregon (ORS 471.200).

Craft Alcohol Production. This shall include the uses as defined by the definitions: brewery–public house, microdistillery and small winery.

Microdistillery. The primary business functions of a microdistillery are the on–site sales of alcoholic spirits produced on site, food and other beverages. Microdistilleries may include a tasting room, offices, retail space, eating and drinking establishments, outdoor sitting areas and/or event/entertainment facilities in addition to the area devoted to production of alcoholic spirits. The microdistillery land use requires a license issued by the State of Oregon (ORS 471.230 Distillery license).

Small Winery. A facility that produces wine, with a maximum annual production of 50,000 gallons, including but not limited to areas used for production, shipping and distribution, wholesale and retail sales, tasting, crushing, fermenting, blending, aging, storage, bottling, administrative functions and warehousing.

* * *

[Part 2. Use Categorization]

10.337 Uses Permitted in Commercial and Industrial Zoning Districts.

A. The uses allowed within each commercial and industrial zoning district are based on the Standard Industrial Classification (SIC) Manual, 1987 Edition. This chapter classifies uses by Industry Group Number (3 digits) of the SIC Manual. When necessary to resolve any ambiguity

in defining a use classification as per this chapter the Industry Number (4 digit) classification contained in the SIC Manual shall be used as the acceptable reference source.

B. There are four classifications in the following tables that do not appear in the SIC Manual; “Business Offices,” (001); Parks, Recreation, and Leisure Facilities” (002); “Marijuana-related businesses” (003); and “Dwelling Units” (881). “Dwelling Units” is in the Services group, but this is not intended to suggest any relationship to the SIC classification scheme. In this context the use classification “Dwelling Units”, includes housing types that are allowed in the MFR-30 zoning district.

C. All uses have been identified by zoning district as either permitted, permitted subject to special use standards, conditional, or not permitted.

"P" = Permitted Uses.

“Ps” = Special Use (see Special Use Regulations).

"C" = Conditional uses - permitted subject to approval of a Conditional Use Permit.

“Cs” = Conditional uses permitted subject to approval of a Conditional Use Permit and the applicable Special Use Regulations.

"X" = Uses specifically prohibited.

"*" = Permitted when within an EA overlay district.

nec = not elsewhere classified

* * *

58 EATING AND DRINKING PLACES. This major group includes establishments selling prepared foods and drinks for consumption on the premises; and also lunch counters and refreshment stands selling prepared foods and drinks for immediate consumption. Restaurants, lunch counters, and drinking places operated as a subordinate service facility by other establishments are not included in this group unless they are operated as leased departments by outside operators. Thus, restaurants and lunch counters operated by hotels are classified in Services, Major Group 70; those operated by department stores in Major Group 53. Bars and restaurants owned by and operated for members of civic, social, and fraternal associations only are classified in Industry 8641.

C-S/P C-N C-C C-R C-H I-L I-G I-H

5812 Eating and Drinking
Places

	C-S/P	C-N	C-C	C-R	C-H	I-L	I-G	I-H
5814 - with entertainment	X	X	P	P	P	X	X	X
5815 - without entertainment	P	P	P	P	P	Ps	Ps	Ps
5816 - with outdoor eating	Ps							
5817 Temporary Food Vendors	Ps	X						
5818 Small Food Vendors	Ps	X						
5819 <u>Craft Alcohol Production</u>	<u>X</u>	<u>X</u>	<u>Ps</u>	<u>Ps</u>	<u>Ps</u>	<u>X</u>	<u>X</u>	<u>X</u>
Brewery—Public House	X	X	P	P	P	P	X	X

The special use section references for:

- Establishments in the industrial zones: 10.822.
- Establishments with outdoor eating areas: 10.833.
- Classification 5817 (Temporary Food Vendors): Section 10.840.
- Classification 5818 (Small Food Vendors): Section 10.823.
- Classification 5819 (Craft Alcohol Production): Section 10.834.
- ~~Establishments in the industrial zones: 10.822.~~
- ~~Establishments with outdoor eating areas: 10.833.~~
- ~~Temporary Food Vendors corresponds with Section 10.840 Temporary Uses and Structures.~~
- ~~Small Food Vendors: 10.823.~~

* * *

[Part 3. Use Regulations]

SPECIAL USE REGULATIONS. (10.811 - 10.838)

10.834 Craft Alcohol Production

The following provisions apply to all Craft Alcohol Production businesses.

- (1) When located within the Central Business Overlay, such use shall not exceed 10,000 square feet of floor area devoted to the production of alcoholic beverages.
- (2) Such use shall hold a full on-premises sales license in accordance with ORS 471.175 (Full on-premises sales license).
- (3) All production activities within a Craft Alcohol Production business, including storage (except for grain silos), must be contained entirely inside the building walls of such uses.
- (4) Grain silos are permitted outside of a Craft Alcohol Production facility and are not considered outside storage.

(5) A grain silo may have a sign, logo or other design feature that is permitted in addition to any signage meeting the standards of Article VI of Chapter 10. [Signage on grain silo does not count towards a parcels overall signage and shall not exceed X square feet]. [Note: The line in brackets requires direction from Planning Commission]

(6) If a grain silo is a part of a craft alcohol production business, it shall not occupy any parking spaces, off-street loading berths, landscaping, or other required on-site improvements as required per Chapter 10.

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3

Zoning for Small-Scale Alcohol Production: Making Space for Brewpubs, Microbreweries, Microwineries, and Microdistilleries

By David M. Morley, AICP

In communities across the country, beer titans like St. Louis-based Anheuser-Busch and Chicago-based MillerCoors are facing stiff competition from a host of locally owned and operated craft breweries.



➡ The number of brewers is higher today than at any point during the 20th century.

Brewers Association, Boulder, Colorado

Meanwhile, there is parallel growth in craft distilleries and small-volume wineries. While renewed interest in small-scale alcohol production is just one facet of the buy-local movement, it has special relevance for planning and zoning practitioners.

Historically, few communities have used zoning to draw distinctions between alcohol production facilities of different types and sizes. More recently, though, numerous localities have added provisions to their zoning codes that acknowledge the variety of alcohol producers. The primary motivation for these regulatory changes is a desire to make space for smaller producers to operate outside of industrial districts.

The two most common small-scale alcohol production uses to receive special zoning attention are brewpubs (restaurants combined with breweries) and microbreweries (small-volume brewers with or without on-site sales). But references to microdistilleries (small-volume distilleries with or without on-site sales) and

microwineries (small-volume wineries without on-site vineyards) are also on the rise.

The purposes of this article are to highlight why the growth in small-scale alcohol production may merit zoning changes and to summarize how communities have amended their codes to add definitions, use permissions, and, in some cases, additional standards to sanction brewpubs and microproducers.

THE BOOM IN SMALL-SCALE ALCOHOL PRODUCTION

According to the Brewers Association, the trade group for small brewers, as of June 2013 there were 1,165 brewpubs and 1,221 microbreweries in the United States. By way of comparison, in the late 1970s there were only 89 commercial brewers of any type (Brewers Association 2013). This boom in small-scale production has spread to spirits and wine too. In April 2012 *Time* reported a 400 percent surge in microdistilleries in the U.S. between 2005 and 2012 (Steinmetz 2012). And according to statistics maintained by trade

publisher *Wines & Vines*, the number of wineries producing between 1,000 and 5,000 cases per year grew 16.5 percent between August 2011 and January 2014 alone.

These trends have significant economic development implications for localities across the country. In addition to satisfying demand for locally produced beer, wine, and spirits, microproducers often distribute their product regionally or nationally, bringing new money into their host communities. Furthermore, successful brewpubs and microproducers can help enliven commercial and mixed use districts that would otherwise clear out after conventional retail and office hours. It's no surprise, then, that some communities are actively trying to lure high-profile microbreweries from other states (McConnell 2012).

THE TROUBLE WITH REGULATORY SILENCE

Despite the explosive growth in brewpubs and microproducers, surprisingly few communities explicitly sanction small-scale alcohol pro-

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About the Author

David Morley, AICP, is a senior research associate with the American Planning Association, as well as APA’s Planning Advisory Service (PAS) coordinator and coeditor of *Zoning Practice*. Since 2007 he has contributed to APA research projects on topics including brownfields redevelopment, complete streets, urban agriculture, shrinking cities, solar energy, and disaster recovery. Apart from his contributions to research projects and APA publications, Morley provides customized research on a daily basis for PAS subscribers.

duction facilities through their zoning codes. Without clear definitions and use permissions, planning staff or public officials are forced to make ad hoc use interpretations that can delay or even prevent otherwise desirable development. This regulatory silence creates uncertainty for business owners looking to make location decisions and secure financing, and it may have the effect of scaring away potential applicants. Finally, explicit definitions, use permissions, and use-specific standards allow communities to proactively address the potential negative effects of brewpubs and microproducers on surrounding areas, thereby minimizing future conflicts with neighbors.

DEFINING USES

Clear zoning standards for small-scale alcohol production facilities begin with clear use definitions.

Generally speaking, there are two basic schools of thought about defining uses in zoning codes. Some communities try to define every conceivable potential use, while others rely on use groups (or categories) with similar operational requirements and attendant community effects.

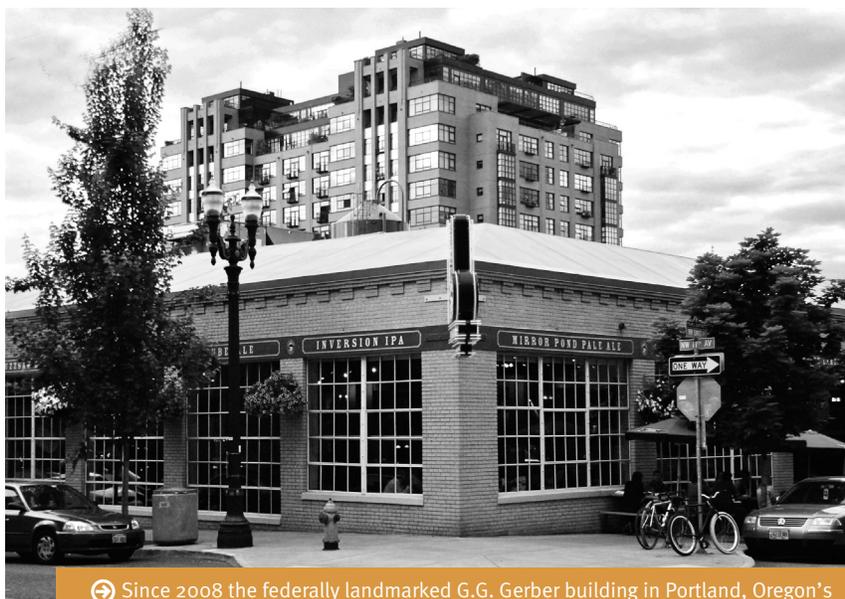
The first method can bring clarity and avoid some legal disputes over specific uses, but it may create unnecessarily complex regulations. The second method is part of larger trend away from proscriptive use regulations, as many communities focus more on a prescriptive approach to the form of development. In practice, most conventional new zoning codes use a hybrid of these approaches, with broad use categories, such as household living or general retail, and specific use definitions for a small subset of higher-impact or more contentious uses under each category.

Mirroring this broader conversation about the best approach to classifying and defining uses, communities that have added specific definitions for small-scale alcohol production facilities to their zoning codes generally take one of two approaches. Either they define brewpubs, microbreweries, microdistilleries, and microwineries as distinct uses, or they define an umbrella term that encompasses multiple types of production facilities.

Communities that define microbreweries, microdistilleries, or microwineries as distinct uses often rely on a production volume threshold to distinguish between the “micro” and “conventional” version of a particular use. For microbreweries, 15,000 barrels per year is a common threshold, which corresponds to the American Brewers Association’s defined limit for a microbrewery. Given that there are no corresponding industry definitions for microdistillery and microwinery, it is perhaps unsurprising that thresholds for these uses seem to vary more from place to place.

When communities define brewpubs as a distinct use, the intent is usually to distinguish between accessory- and primary-use brewing facilities. Most communities stipulate that beer production in a brewpub must be accessory to a bar or restaurant, and many cap the volume of beer produced annually (usually less than 15,000 barrels). Furthermore, some jurisdictions quantify this subordinate relationship by limiting the percentage of floor area or sales attributable to the brewery component of the business.

Definitions for brewpubs, microbreweries, microdistilleries, and microwineries often include an acknowledgment that the alcohol produced will be consumed both on- and off-site. For “micro” facilities, the presumption is typically that on-site consumption will be



Steve Morgan/Creative Commons 3.0

➔ Since 2008 the federally landmarked G.G. Gerber building in Portland, Oregon’s Pearl District has housed a brewpub.

Examples of Use Definitions

Brewpub:

- A retail establishment that manufactures not more than 9,000 barrels of malt liquor on its licensed premises each calendar year. (Aurora, Colorado)
- A restaurant-brewery that sells 25 percent 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" or distribute to off-site accounts. (Brewers Association)

A restaurant with facilities for the brewing of beer for on-site consumption and retail sale at the restaurant. A brewpub must derive at least 40 percent of its gross revenue from the sale of food. (Goodyear, Arizona)

- A restaurant featuring beer that is brewed on-site. (Memphis-Shelby County, Tennessee)
- A restaurant that brews beer as an accessory use, either for consumption on-site or in hand-capped, sealed containers in quantities up to one-half barrel sold directly to the consumer. Production capacity is limited to 5,000 barrels of beverage (all beverages combined) per year. The area used for brewing, bottling, and kegging shall not exceed 30 percent of the total floor area of the commercial space. A barrel is equivalent to 31 gallons. (Plainfield, Illinois)

Microbrewery:

- A small facility for the brewing of beer that produces less than 15,000 barrels per year. It may often include a tasting room and retail space to sell the beer to patrons on the site. (Asheville, North Carolina)
- Any establishment where malt liquors are manufactured and packaged on- or off-premises, manufacturing more than 9,000 but less than 60,000 barrels of malt liquor on its licensed premises each calendar year. (Aurora, Colorado)
- A brewery that produces less than 15,000 barrels of beer per year with 75 percent 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 carryouts or on-site taproom or restaurant sales. (Brewers Association)
- A brewery (for malt beverages) that has an annual nationwide production of not less than 100 barrels or more than 10,000 barrels. (Missoula, Montana)
- The production of beer, regardless of the percentage of alcohol by volume, in quantities not to exceed 5,000 barrels per month, with a barrel containing 31 U.S. liquid gallons. (Nashville-Davidson, Tennessee)

Nanobrewery:

- The production of beer, regardless of the percentage of alcohol by volume, in quantities not to exceed 1,250 barrels per month. (Nashville-Davidson, Tennessee)

Microdistillery:

- A combination retail, wholesale, and small-scale artisan manufacturing business that produces and serves alcoholic spirits or food on the premises. (Port Townsend, Washington)
- A facility that produces no more than 15,000 gallons per year of spirituous beverages on-site and shall include a tasting room in which guests/customers may sample the product. (Fort Collins, Colorado)
- A facility that produces alcoholic beverages in quantities not to exceed 35,000 gallons per year and includes an accessory tasting room. A tasting room allows customers to taste samples of products manufactured on-site and purchase related sales items. Sales of alcohols manufactured outside the facility are prohibited. (Evanston, Illinois)

(continued on page 5)

subordinate to off-site consumption. For brewpubs, the opposite is true.

Communities that define an umbrella term for multiple "micro" facilities tend to stress spatial or operational features over production volume limits. In some instances this means a square footage limit on facility size or the proportion of a facility that can be used for alcohol production. In other instances, there are no defined size limits, and the use definition simply describes a set of operational characteristics (e.g., alcohol production and sales for on- and off-site consumption).

USE PERMISSIONS

Defining and regulating small-scale alcohol production facilities allows communities to permit small breweries, distilleries, and wineries in locations that would be inappropriate for conventional, large-scale facilities. Typically, this translates to permitting brewpubs, microbreweries, microdistilleries, and microwineries in one or more commercial or mixed use districts, either by right, with ministerial approval, or subject to a discretionary use permit.

Permitting a use by right sends a clear signal to potential developers and business owners that the use is desirable in a certain zoning district. This approach presents applicants with the fewest hoops to jump through before obtaining zoning approval, but it is important to note that most small-scale production facilities will still be subject to state or local licensing or permitting laws that govern the production or sale of alcoholic beverages.

Requiring a ministerial approval for a use communicates that the community is generally supportive of the use in a certain zoning district, but this support is conditional upon compliance with objective standards intended to minimize negative impacts on proximate uses. This approach gives planning staff an opportunity to review an application before the planning director or zoning administrator issues an "over-the-counter" permit. Often, communities use ministerial approval processes to confirm that a particular application conforms to use-specific standards (see additional standards discussion below).

Permitting a use subject to a discretionary use permit (often referred to as a conditional, special, or special exception use permit) indicates that the community is potentially supportive of the use in a certain zoning district, provided the specific spatial and operational characteristics of the use do not pose compatibility problems. Discretion-

ary approval processes involve one or more public hearings before the local legislative body, planning commission, or zoning board renders a final decision on an application. Because the longer approval time frame and a greater degree of uncertainty can discourage some applicants, it is important for communities to reserve discretionary use permissions for locations or circumstances where objective standards are likely to be insufficient to ensure compatibility.

Since a brewpub typically has more in common with a restaurant than a factory, many communities permit brewpubs either by right or with ministerial approval in a wide range of commercial and mixed use districts. Meanwhile, use permissions for microbreweries, microdistilleries, and microwineries vary considerably from place to place. With that said, though, many cities do permit microproduction facilities either by right or with ministerial approval in at least one commercial or mixed use district. Furthermore, it is relatively common to permit microbreweries, microdistilleries, or microwineries by right in more intense commercial or mixed use districts and subject to a discretionary use permit in less intense districts. (See the table on page 6.)

ADDITIONAL STANDARDS

Many contemporary zoning codes limit use permissions with use-specific development or operational standards. By codifying additional standards for specific uses, the community can permit a wider range of uses without relying on discretionary use permits to ensure compatibility. In some cases, use-specific standards apply only in certain zoning districts, while in other cases the standards apply community-wide.

So far, relatively few communities have adopted additional development or operational standards for small-scale alcohol production facilities. Among those that have, the most common provisions relate to outdoor storage, the size of the facility or volume of production, loading and unloading, and proximity either to sensitive uses or to other similar producers.

Outdoor Storage

Perhaps the most prevalent type of additional standards for brewpubs and microproducers are screening requirements or limitations on the amount of space business owners can use to store equipment, production waste, or product. In some cases these standards take

Use Definitions *(continued from page 4)*

- Any place or premises wherein any wines or liquors are manufactured for sale, not to exceed 5,000 gallons per year, generally referred to as a craft, boutique, or artisan distillery. Microdistilleries may or may not include an on-site tasting room, and may or may not operate in conjunction with an on-site restaurant or bar. For operation of an on-site tasting room or in conjunction with an on-site restaurant or bar additional permitting may be required. All relevant federal, state, and local regulations apply, including but not limited to TCA Title 57 and Memphis Code of Ordinances Title 7. For on-site sales by manufacturer compliance with TCA 57-3-204 applies. (Memphis-Shelby County, Tennessee)

Microwinery:

- A combination retail, wholesale, and small-scale artisan manufacturing business that produces and serves wine and food on the premises. (Port Townsend, Washington)
- A facility that produces no more than 100,000 gallons per year of vinous beverages on-site and shall include a tasting room in which guests/customers may sample the product. (Fort Collins, Colorado)
- A small wine producer that does not have its own vineyard, and instead sources its grape production from outside suppliers. Microwineries produce wine for sale on- or off-site. For the purposes of this chapter, a microwinery is limited to a production of no more than 2,000 barrels per year. On-site consumption is not allowed, other than sample tasting by customers shopping on-site. (Glennville, New York)

Microbrewery/microdistillery/microwinery:

- A facility with no more than 3,000 square feet of floor area, for the production and packaging of alcoholic beverages for distribution, retail, or wholesale, on- or off-premises and which meets all alcohol beverage control laws and regulations. (Newport News, Virginia)
- An establishment for the manufacture, blending, fermentation, processing, and packaging of alcoholic beverages with a floor area of 10,000 square feet or less that takes place wholly inside a building. A facility that only provides tasting or retail sale of alcoholic beverages is not a microbrewery, microdistillery, or winery use. (Dallas)
- A facility in which beer, wine, or other alcoholic beverages are brewed, fermented, or distilled for distribution and consumption, and which possesses the appropriate license from the State of Maryland. Tasting rooms for the consumption of on-site produced beer, wine, or distilled products are permitted on the premises. (Denton, Maryland)
- An establishment with a primary use as a table service restaurant where beer, liquor, wine, or other alcoholic beverage is manufactured on the premises in a limited quantity subordinate to the primary table service restaurant use. The gross floor area utilized in a microbrewery, microdistillery, or microwinery for the production of beer, liquor, wine, or other alcoholic beverage shall be no greater than the gross floor area utilized for the associated table service restaurant. A microbrewery, microdistillery, or microwinery may include some off-site distribution of its alcoholic beverages consistent with state law. A tasting room or taproom may exist in a microbrewery, microdistillery, or microwinery where patrons may sample the manufacturer's products. (Wooster, Ohio)

the form of an outright prohibition on outdoor storage.

To illustrate, Covington, Kentucky, flatly prohibits all outdoor equipment and storage for brewpubs and microbreweries (§§6.28.02–03). Meanwhile, Dallas permits microbreweries and microdistilleries to store spent grain outside in silos or containers, provided the storage is screened from view (C51A-4.210(b)(4)(E)(ii)(cc)). And Novi, Michigan, prohibits

all outdoor storage for brewpubs and microbreweries, with the exception of storage in tractor trailers for a period less than 24 hours (§§1501.11.b and 1501.12.b).

The two basic rationales for storage restrictions are aesthetics and public health. Outdoor storage can be an uninviting eyesore, especially in pedestrian-oriented areas. And left unattended, production waste may produce foul odors and attract vermin.

EXAMPLES OF DEFINED USES AND PERMISSIONS

Community	State	2010 Population	Density (pop./square mile)	Defined Uses	Permitted in One or More Mixed Use or Commercial Districts		
					By Right or Ministerial Approval	Subject to Discretionary Use Permit	Subject to Additional Standards
Asheville	NC	83,393	1,856	microbrewery	X	X	§7-16-1(c)(43)
Bismarck	ND	61,272	1,986	brewpub microbrewery	X	X	§14-03-08.4.u
Bloomington	IN	80,405	3,472	brewpub	X		§20.05.089
Burlington	VT	42,417	4,116	microbrewery	X	X	
Columbia	SC	129,272	978	microbrewery	X		§17-290
Covington	KY	40,640	3,079	brewpub microbrewery microdistillery	X	X	§6.28 §6.28 §6.28
Dallas	TX	1,197,816	3,518	microbrewery/ microdistillery/ winery		X	§51A-4.210(b)(4)
Denton	MD	4,418	837	microbrewery/ microwinery/ microdistillery		X	
Fort Collins	CO	143,986	2,653	microbrewery microdistillery microwinery	X X X	X X X	
Glennville	NY	29,480	580	microbrewery microwinery	X X		
Goodyear	AZ	65,275	341	brewpub microbrewery	X X		§4-2-15 §4-2-16
Memphis-Shelby	TN	646,889	2,053	brew pub microbrewery microdistillery	X X X	X X X	§2.6.3.G §2.6.4.F §2.6.4.F
Missoula	MT	66,788	2,428	microbrewery		X	
Modesto	CA	201,165	5,457	microbrewery	X	X	§10-3.203
Newport News	VA	180,719	2,630	microbrewery/ microdistillery/ microwinery	X		
Novi	MI	55,224	1,825	brewpub microbrewery	X X	X X	§1501.11 §1501.12
Port Townsend	WA	9,113	1,306	microbrewery microdistillery microwinery	X X X	X	
St. Petersburg	FL	244,769	3,964	brewpub microbrewery	X X	X X	§16.50.045 §16.50.045
Wooster	OH	26,119	1,601	microbrewery/ microdistillery/ microwinery	X		

Facility Size or Volume of Production

Some communities use additional standards to restrict the size of the facility, scale of production, or the relationship between the alcohol production facility and collocated food or beverage service. This is most common in codes where the use definition does not stipulate a specific production limit or the nature of the relationship between primary and accessory uses. However, communities can also use this type of operational standard to modify defined limits or relationships in lower-intensity zoning districts.

For example, Asheville, North Carolina, limits microbreweries to 4,000 square feet of floor area in two specific office districts (§17-16-1(c)(43)a.3). Columbia, South Carolina, limits microbrewery production to 1,000 barrels per year in three lower-intensity commercial and mixed use districts (§17-290(2)). And Novi, Michigan, stipulates that no more than 50 percent of the gross floor space in a brewpub shall be used for brewing (§1501.11.e).

Loading and Unloading

A few communities have adopted additional standards stipulating the provision or location of loading spaces or prohibiting deliveries during certain hours. Both of these types of delivery restrictions can help brewpubs and microproducers be better neighbors by minimizing traffic congestion or limiting noise during certain times of the day. Still, it's important to note that in some pedestrian-oriented districts it may be infeasible or undesirable to require dedicated loading spaces due to premiums on space or urban design goals.

As one example, Asheville, North Carolina, stipulates that all microbreweries must have an off-street or alley-accessible loading dock (§17-16-1(c)(43)a.4). Meanwhile, St. Petersburg, Florida, discourages microbrewery access and loading from streets and requires any street-facing loading bays to keep their doors closed at all times, except when actively in use. The city also restricts service truck loading and unloading to the hours between 8 a.m. and 8 p.m., Monday through Saturday, and between 11 a.m. and 7 p.m. on Sundays and national holidays (§§16.50.045.4-6).

Distancing Requirements

A small number of communities have adopted distancing requirements that either limit the proximity of small-scale alcohol production facilities to sensitive uses, such as schools or

churches, or require a minimum separation between similar uses. For the first type of distancing requirement, the rationale is to limit potential spillover effects on properties where children congregate. The rationale for the second type of requirement is to prevent an over-concentration of brewpubs or microproducers in a specific district.

To illustrate, Novi, Michigan, requires microbreweries to be separated from one another by at least 2,500 feet (§1501.12.h). And Bismarck, North Dakota, requires property owner consent as a condition of approval for microbreweries located within 300 feet of a lot line for any school, church, library, or hospital (§14-03-08.4.u.1).

CONCLUSIONS

When localities choose to define and regulate small-scale alcohol production facilities as one or more distinct uses, it allows them to permit these uses in locations that would be inappropriate for major industrial operations. By doing so, communities can set the stage to capitalize on the economic and placemaking benefits of brewpubs and microproducers.

With that said, the preceding discussion only hints at the variety of approaches localities have taken to regulate brewpubs, microbreweries, microdistilleries, and microwineries. Furthermore, a number of communities with thriving craft brewing and distilling scenes, such as Chicago and Portland, Oregon, have yet to single out small-scale alcohol production facilities for special zoning treatment. Others have made a conscious decision to minimize use-based restrictions in favor

of prescriptive standards for the form of development. However, communities that don't thoughtfully consider regulatory alternatives for brewpubs and microproducers run the risk of being caught "flat-footed" by an application for a new facility that may be beneficial to the community but is inconsistent with current zoning.

Finally, as with any significant potential zoning change, it can be helpful to talk to other communities that have taken a similar approach to see what's working and what might need further attention. And, of course it's always important to review both new provisions and the intent behind those provisions with residents, business owners, and other community stakeholders before recommending or taking action.

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HOW DOES YOUR ZONING TREAT BREW PUBS, MICROBREWERIES, MICRODISTILLERIES, AND MICROWINERIES?

10.1610 Central Business Overlay (CB): Additional Special Signs.

Additional special signs shall be permitted as follows in the CB district:

(1) Fueling Station Signs: One additional ground sign per street frontage, not exceeding 30 square feet in area and 9 feet in height is permitted on each parcel of land occupied by a fueling station. Such signs may not project into public right-of-way.

(2) Drive-up Window Signs: One additional ground sign not to exceed 32 square feet in area and 6 feet in height is permitted on each parcel of land occupied by a drive-up window. Such signs may not project into public right-of-way.

(3) Temporary Sign: One temporary sign on each street frontage is permitted for each separate business. Display period is limited to 30 days and is renewable upon application, but shall not exceed four (4) permits in one (1) calendar year. The area of each sign shall not exceed 32 square feet. No part of any sign shall be higher than the building height as defined in Section 10.705.

(4) Portable Signs: One ~~additional~~ portable sign not to exceed 12 square feet in area for each business entrance is permitted. Such signs shall not be located within public right-of-way except under the following conditions:-

(i) The sidewalk width is a minimum of eight feet

(ii) A minimum of four feet of unobstructed clearance is provided from the edge of the sign.

The portable signs shall only be displayed when the business is open. Historic review is not required when located within the historic overlay district.

[Amd. Sec. 19, Ord. No. 6021, Nov. 19, 1987; Amd. Sec. 17, Ord. No. 2012-32, March 1, 2012.]