PLAN COMMISSION

INTER-DEPARTMENTAL REVIEW COMMITTEE REPORT

TEXT AMENDMENT TO THE ZONING ORDINANCE - Craft Alcohol

March 18, 2019

Title

PC 19-04

Petitioner

Village of Lombard

Property Location

B2, B4A, B5, B5A, and I Districts

Approval Sought

The Village of Lombard proposes text amendments regarding craft alcohol production facilities.

Prepared By

Jennifer Ganser, AICP Assistant Director

DESCRIPTION

The petitioner, the Village of Lombard, is requesting the following text amendments to the Lombard Zoning Ordinance:

- 1) An amendment to Section 155.802 (and any other relevant sections for clarity) of the Lombard Zoning Ordinance regarding the addition for a definition of "Craft Alcohol Production Facility" and the modification of the definitions of "tavern" and "liquor store, package";
- 2) Remove "microbrewery" as a conditional use from Section 155.417(G)(2)(a)(iii); and
- 3) An amendment to Sections 155.414(C), 155.417 (G)(2)(a), 155.418(C), 155.419(C), and 155.420(C) of the Lombard Zoning Ordinance to allow "Craft Alcohol Production Facility" to be listed as a conditional use.

In 2014, (PC 14-07 and PC 14-08) the Plan Commission approved a text amendment and companion conditional use for microbreweries (Noon Whistle) in the B4A Roosevelt Road Corridor District. Currently, food and dairy manufacturing (regardless of alcohol content) is a conditional use in the Industrial (I) District. Staff has since been approached by other breweries and businesses that make alcohol. Staff has also noticed a trend in breweries, distilleries, and wineries/cider distilleries.

Staff brought this topic as a workshop to the Economic and Community Development Commission (ECDC) and the Plan Commission. Both concurred with staff to bring this forward as a future text amendment. The new use, Craft Alcohol Production Facility, would be listed as a conditional use in the B2, B4A, B5, B5A, and I Districts.

INTER-DEPARTMENTAL REVIEW

Building Division:

The Building Division has no comments.

Fire Department:

The Fire Department has no comments.

Private Engineering Services:

Private Engineering Services has no comments.

Public Works:

The Department of Public Works has no comments.

Planning Services Division:

Breweries are not a new concept to Lombard. Taylor Street Brewing existed on Butterfield Road as a restaurant and brewery until they closed. The site is currently Chick-Fil-A. Rock Bottom Brewery (restaurant and brewery) is located at Yorktown Mall. Afterthought Brewery was formerly Flesk Brewery (relocated to Barrington). Noon Whistle is located on Roosevelt Road and they manufacture beer while allowing the tasting and purchasing of beer onsite.

Staff contacted other municipalities to gather information.

Municipality	Business	Actions
Evanston	FEW Spirits, Smylie Brothers, Sketchbook Brewing Co., Temperance Beer Company, North Shore Cider Company, etc.	Numerous zoning actions have been completed. Recently, a new definition was created combining craft brewery, craft distillery, and micro-distillery into one category — Craft Alcohol Production Facility. Special use in commercial districts.
Geneva	Fox River Distillery	Amended the Planned Unit Development to allow for a craft distillery as a permitted use
Oswego	Oswego Brewing Company	Special Use Permit in the B2 (downtown) for a Beverage Producing, Bottling, and Distributing Establishment
Plainfield	Tailwinds, Werk Force, etc.	Breweries are permitted by right in the downtown, also allowed in an Industrial Planned Development, classified a new distillery in the downtown as brewery therefore no zoning entitlements needed
Roselle	Lyfred Winery and Pollyanna Brewery	Special Use Permit in the B3 for brewery with taproom, distillery with taproom, and winery
Wheaton	Dry City Brew Works and Tasting DeVine	No zoning action needed (wine/beer shops a permitted use); amended the liquor license to allow wine/beer shops to make their own beer

Staff reviewed the materials from the surrounding municipalities and noted that Evanston had a unique definition that combined all three potential uses. Staff notes that these uses are all similar from a land use perspective and one definition may simplify the categorization process. This would also allow a business to produce multiple kinds of alcoholic beverages. Staff is proposing to allow craft alcohol producers as a conditional use, which is how breweries are currently listed in the B4A District. This allows for Plan Commission review on an individual basis. This review is important as a proposed location could be adjacent to residential or generate traffic, and staff would want to review each request on its own merit. Conditional Uses are subject to final consideration by the Village Board.

Staff proposes that the use be listed as a conditional use in the following zoning districts: B2, B4A, B5, B5A, and I. By adding this use into the Zoning Code, it eliminates the step of a text amendment from a future applicant. Currently both food and dairy manufacturing and restaurants are separate conditional uses in the I District. Microbreweries and distilleries have some traits in common with restaurants, though staff did consider them separate land uses when Noon Whistle came before the Village. Lombard's Industrial District has seen conditional uses for athletic training centers and other non-traditional industrial uses. As the economy evolves, staff anticipates that the Industrial District could see other non-traditional uses.

Staff proposes a new definition below. Staff did change the word may in the definition of microbrewery to shall in the new definition. Staff wanted to differentiate this new use from food and dairy manufacturing which is a conditional use in the Industrial District.

EXISTING & PROPOSED REGULATIONS

The proposed language is below, with text amendments in <u>bold and underline</u>, and deletions denoted by a strikethrough. The current definition of microbrewery is below, which will be deleted. The Zoning Code has no definition of winery or distillery, nor are these uses currently in Lombard.

§ 155.802 - Rules and definitions.

Microbrewery is a business establishment where malt beverages of alcoholic content are produced for distribution, retail or wholesale, on or off premises, with a capacity of less than 15,000 U.S. barrels of beer per calendar year. The establishment may include as an ancillary use an onsite taste testing area and other uses such as a restaurant or tavern as permitted by the Village of Lombard Zoning Ordinance and/or Liquor Commissioner.

Craft Alcohol Production Facility is a commercial facility that produces beer, wine or other alcoholic beverages in quantities compliant with applicable local, state and federal regulations for distribution, retail or wholesale, on or off premises. The establishment shall include as an ancillary use an onsite taste testing area and other uses such as a restaurant or tavern as permitted by the Village of Lombard Zoning Ordinance and/or Liquor Commissioner.

Liquor store, package is a business establishment where alcoholic beverages are kept and sold and where such alcoholic beverages are not generally imbibed on the premises. A package liquor store differs from a <u>Craft Alcohol Production Facility</u> microbrewery in that liquors and other alcoholic beverages are not produced on-site.

Tavern is an establishment where liquors are sold to be consumed generally on the premises. A tavern differs from a <u>Craft Alcohol Production Facility</u> microbrewery in that liquors and other alcoholic beverages are not produced on-site. Packaged liquor may be sold, but only as part of an ancillary use when permitted by the Village of Lombard Zoning Ordinance and/or Liquor Commissioner.

Section 155.414(C)

(25) Craft Alcohol Production Facility

(26) (25) Accessory uses and buildings, incidental to and on the same zoning lot as the conditional use, which are constructed and operated in conformance with § 155.210 of this Chapter.

Section 155.417 (G)(2)(a)

(iii) Microbrewery

(iii) Craft Alcohol Production Facility

Section 155.418(C)

(24) Craft Alcohol Production Facility

(25) (24) Accessory uses and buildings, incidental to and on the same zoning lot as the conditional use, which are constructed and operated in conformance with § 155.210 of this Chapter.

Section 155.419(C)

(22) Craft Alcohol Production Facility

(23) (22) Accessory uses and buildings, incidental to and on the same zoning lot as the conditional use, which are constructed and operated in conformance with § 155.210 of this Chapter.

Section 155.420(C)

(41) Craft Alcohol Production Facility

(42) (41) Accessory uses and buildings, incidental to and on the same zoning lot as the conditional use, which are constructed and operated in conformance with § 155.210 of this Chapter.

STANDARDS FOR TEXT AMENDMENTS

For any change to the Zoning Ordinance, the standards for text amendments must be affirmed. The standards are noted below:

- 1. The degree to which the proposed amendment has general applicability within the Village at large and not intended to benefit specific property;
 - The text amendments are generally applicable to all properties within the B2, B4A, B5, B5A, and I Districts. It is an expansion upon the microbrewery use only allowed in the B4A District.
- 2. The consistency of the proposed amendment with the objectives of this ordinance and the intent of the applicable zoning district regulations;
 - The proposed text amendments are consistent with the objectives of the Zoning Ordinance and the use would require a conditional use permit.
- 3. The degree to which the proposed amendment would create nonconformity; Staff does not believe any nonconformity would be created.
- 4. The degree to which the proposed amendment would make this ordinance more permissive; The proposed amendments will clarify existing regulations and only allow for the use within the B2, B4A, B5, B5A, and I Districts.
- 5. The consistency of the proposed amendment with the Comprehensive Plan; and Staff finds that the proposed amendments would be consistent with the Comprehensive Plan.
- 6. The degree to which the proposed amendment is consistent with village policy as established in previous rulings on petitions involving similar circumstances.
 - The Village has a history of amending the Zoning Ordinance. Staff is being proactive by proposing Code amendments before a potential business comes forward.

FINDING & RECOMMENDATIONS

Based on the above findings, the Inter-Departmental Review Committee has reviewed the petition and finds that it meets the standards for text amendments required by the Zoning Ordinance. As such, the Inter-Departmental Review Committee recommends that the Plan Commission make the following motion recommending approval of this petition:

Based on the submitted petition and the testimony presented, the requested text amendments **comply** with the standards required by the Village of Lombard Zoning Ordinance; and, therefore, I move that the Plan Commission accept the findings and recommendations of the Inter-Departmental Report as the findings of the Plan Commission and I recommend to the Corporate Authorities **approval** of PC 19-04.

Inter-Departmental Review Committee Report approved by:

William J. Heniff, AICP

Director of Community Development

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