2018-62 (2ND READING): AN ORDINANCE TO AMEND THE ZONING ORDINANCE FOR THE CITY OF MYRTLE BEACH TO ALLOW BREWPUBS AS A USE IN THE LM, WM, AND C7, C8 ZONES.

Applicant/Purpose: Michael Grossman (applicant) / to amend the Zoning Ordinance & allow brewpubs as a permitted use in the LM, WM, C7, & C8 Zones.

Brief:

- The applicant wishes to open a brewpub on property zoned LM to serve beer & limited food offerings on premise.
- A valid State issued brewpub permit authorizes the holder to:
 - 1. Produce a max of 2,000 barrels of beer/year for sale on draft for on premise consumption, in a container brought by the buyer & filled by the permittee at sale and/or in bottles for off-premise consumption by the purchaser.
 - 2. Sell the beer of a producer which has been purchased from a wholesaler thru the distribution chain set out in State Code.
 - 3. Be qualified as a public eating establishment (State Law requires that food to be served in order get a license for on premise consumption of alcoholic liquors.
- The applicant also wishes to sell the beer brewed on site to wholesalers &/or retailers.
- Zoning Administrator has ruled brewpubs are not covered in the Zoning Ordinance.
- Staff feels brewpubs would be an asset in others areas as well, including the downtown districts. Hence the recommendation of including brewpubs in additional zoning districts.
- Staff also recommends eliminating parking requirements in order to open up more possible locations in the C7 & C8 districts.
- P. Commission recommends approval (5-0-1 recusal) covering the LM & WM Zones only.
- 11/6/18: PC voted 4-2 (Boyce, Shanks) for staff's recommendations w/ parking changes. PC recommends further study on adding the use to additional zones & parking requirements.
- Changes from 1st reading include adding parking requirements (1 space/350 sf of serving area) for the LM & WM Zones only.
- After further analysis staff is recommending C7 & C8 be removed from the ordinance because they are in conflict w/ the current moratorium on drinking establishments.

<u>lssues</u>:

- Brewpubs are very popular, & often anchor neighborhoods in other communities.
- By including additional zones, the City is encouraging brewpubs in other areas of the City.

Public Notification:

- Normal Planning Commission meeting notice.
- Typical City Council Meeting Notice.

Alternatives:

- Modify the request.
- Deny the proposed ordinance.

Financial Impact: Increases in hospitality fees, business licenses, & building permits & property taxes.

Manager's Recommendation:

- I recommend 1st reading (10/23/18).
- I recommend 2nd reading & approval of the original ordinance. I think these businesses can be major contributors to our downtown revitalization plans, so I also recommend that we revisit the C-7 moratorium to narrow the focus of that action and to further consider other zones in which these facilities may be located. (11/13/18).
- <u>Attachment(s)</u>: Proposed ordinance, staff report, & application.

CITY OF MYRTLE BEACH COUNTY OF HORRY STATE OF SOUTH CAROLINA AN ORDINANCE TO AMEND THE ZONING ORDINANCE FOR THE CITY OF MYRTLE BEACH TO ALLOW BREWPUBS AS A USE IN THE LM (LIGHT MANUFACTURING), AND WM (WAREHOUSE MANUFACTURING), AND C7 & C8 (DOWNTOWN COMMERCIAL) ZONES

IT IS HEREBY ORDAINED that the City of Myrtle Beach Code of Ordinances, Amendment A, Zoning, Article 2 (Definitions), Section 203 is amended to include a new definition, brewpub, as follows:

Section 203. Definitions

Brewpub: means a tavern, public house, restaurant, or hotel, which produces on the permitted premises a maximum of two thousand barrels a year of beer for sale on the premises. a facility with on-site food service (not more than 50% of total sales), tap room and retail operations that brews or produces alcoholic and non-alcoholic beverages for sale and consumption on-site as well as wholesale or off-site sales, consistent with state law (including operations, and separation from school, church, and playground uses). For zoning purposes, a brewpub may be licensed under state law as a brewpub or brewery.

IT IS FURTHER ORDAINED: a valid State issued brewpub permit authorizes the holder to:

- (1) produce on the permitted premises a maximum of two thousand barrels a year of beer for sale:
 - (a) on draft for consumption on the premises;
- (b) in a sanitary container brought to the premises by the purchaser and filled at the tap by the permittee at the time of sale; and
 - (c) in bottles for consumption by the purchaser off the premises:
- (2) sell the beer of a producer which has been purchased from a wholesaler through the normal three-tier distribution chain set forth in the State Code of Laws Section 61-4-940; (3) serve food or otherwise be qualified as a public eating establishment. This provision may not be construed to exempt a permittee or licensee from the requirement that food must be served in order for a license for the consumption of alcoholic liquors on the premises to be issued.

IT IS FURTHER ORDAINED: that the City of Myrtle Beach Code of Ordinances, Amendment A, Zoning, Article 10 (Parking and Loading) Section 1006.D. (Minimum Offstreet Parking Requirements for Permitted Uses), is amended to include a new entry, Brewpub, as follows:

Minimum Required Parking Spaces (DU=dwelling unit; SF=square feet; fractional calculations shall be rounded up)

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