
1 **2018-62 (1ST READING): AN ORDINANCE TO AMEND THE ZONING ORDINANCE**
2 **FOR THE CITY OF MYRTLE BEACH TO ALLOW BREWPUBS AS A USE IN THE LM**
3 **(LIGHT MANUFACTURING), WM (WAREHOUSE MANUFACTURING), AND C7 & C8**
4 **(DOWNTOWN COMMERCIAL) ZONES.**

5 **Applicant/Purpose:** Michael Grossman (applicant) / to amend the Zoning Ordinance & allow
6 brewpubs as a permitted use in the LM, WM, & C7 & C8 Zones.
7

8 **Brief:**

- 9 • The applicant wishes to open a brewpub on property zoned LM to serve beer & limited
10 food offerings on premise.
11 • A valid State issued brewpub permit authorizes the holder to:
12 1) Produce a max of 2,000 barrels of beer/year for sale:
13 a) On draft for on premise consumption.
14 b) In a container brought by the buyer & filled by the permittee at sale.
15 c) In bottles for off-premise consumption by the purchaser.
16 2) Sell the beer of a producer which has been purchased from a wholesaler thru the
17 distribution chain set out in State Code.
18 3) Be qualified as a public eating establishment (State Law requires that food to be
19 served in order get a license for on premise consumption of alcoholic liquors.
20 • The applicant also wishes to sell the beer brewed on site to wholesalers &/or retailers.
21 • Zoning Administrator has ruled brewpubs are not covered in the Zoning Ordinance.
22 • Staff feels brewpubs would be an asset in others areas as well, including the downtown
23 districts. Hence the recommendation of including brewpubs in C7 & C8 districts.
24 • Staff also recommends eliminating parking requirements in order to open up more
25 possible locations in the C7 & C8 districts.
26 • Planning Commission - recommends approval (5-0-1 recusal) of the draft covering the
27 LM and WM Zones only.
28 • Staff recommends the alternate version which also allows brewpubs in C-7 & C-8, w/
29 the further elimination of the parking requirement (currently 1 space per 350 gross sf).
30

31 **Issues:**

- 32 • Brewpubs are very popular, & often anchor neighborhoods in other communities.
33 • By including C7 & C8 the City is encouraging brewpubs in the DRC district.
34

35 **Public Notification:**

- 36 • Normal Planning Commission meeting notice.
37 • Typical City Council Meeting Notice.
38

39 **Alternatives:**

- 40 • Modify the request.
41 • Deny the proposed ordinance.
42

43 **Financial Impact:** Increases in hospitality tax revenue, business licenses, & possibly building permits
44 & property taxes.
45

46 **Manager's Recommendation:** I recommend 1st reading of the Alternative.
47

48 **Attachment(s):** Proposed ordinance, staff report, & application.

Ordinance 2018-62

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),
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.

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

Permitted Uses	Minimum Required Parking Spaces
	<i>(DU=dwelling unit; SF= square feet; fractional calculations shall be rounded up)</i>

Brewpub	1 space per 350 SF of gross serving area.
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IT IS FURTHER ORDAINED that that the City of Myrtle Beach Code of Ordinances, Amendment A, Zoning, Article 14 (Zoning Districts), Section 1407.C (Permitted Uses) is amended to include a new use, Brewpubs, as follows:

Use Category and Type	MU-M	MU-H	C6	C7	C8	A	CG	E	HC1	HC2	MP	IN	AP	BP	LM	WM	CS	IR	PRC
Commercial and Office Uses																			
Brewpubs				P	P										P	P			

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Signature page follows.

This ordinance shall become effective upon adoption.

BRENDA BETHUNE, MAYOR

ATTEST:

JENNIFER STANFORD, CITY CLERK

1st Reading:
2nd Reading:

Ordinance 2018-62

CITY OF MYRTLE BEACH
COUNTY OF HORRY
STATE OF SOUTH CAROLINA

AN ORDINANCE TO AMEND THE ZONING
ORDINANCE FOR THE CITY OF MYRTLE
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AND WM (WAREHOUSE
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Permitted Uses	Minimum Required Parking Spaces <i>(DU=dwelling unit; SF=square feet; fractional calculations shall be rounded up)</i>
Brewpub	1 space per 350 SF of gross serving area.

IT IS FURTHER ORDAINED that that the City of Myrtle Beach Code of Ordinances, Amendment A, Zoning, Article 14 (Zoning Districts), Section 1407.C (Permitted Uses) is amended to include a new use, Brewpubs, as follows:

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Commercial and Office Uses																			
Brewpubs															P	P			

1 *Signature page follows.*

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6 This ordinance shall become effective upon adoption.

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BRENDA BETHUNE, MAYOR

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ATTEST:

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JENNIFER STANFORD, CITY CLERK

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21

1st Reading:

22

2nd Reading:

1	APPLICANT	Michael Grossman
2		
3	REQUESTED ACTION	To allow brew pubs as a permitted use
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5	REASON FOR REQUEST	To enable Tidal Creek Brewhouse, LLC to establish a brewery with a taproom and restaurant.
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7		
8	SITE LOCATION	3421 Knoles St
9		
10	PUBLIC NOTICE	Legal ad ran
11		
12		
13	ALTERNATIVES TO APPROVAL	Recommend denial. Recommend alternative amendments.
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15		
16	FINANCIAL ANALYSIS:	Potential gain in business license fees and tax revenues.
17		
18		
19	STAFF COMMENTS	
20		
21	Fire, DPW, Police, C&L Services, Addressing:	No concerns.
22		
23	Planning Staff:	Staff consulted the applicant and the following jurisdictions: Hartsville, Rock Hill, York County, Charleston County, Mt Pleasant, Greenwood, Florence, and North Charleston, as well as articles from the Municipal Association of SC (MASC).
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27		Planning staff recommends application to the WM zone as well as the LM, as both zones accommodate manufacturing.
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30	ANALYSIS	
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32		<i>Section 403 of the Zoning Ordinance lists the following factors, which should be part of the information considered when evaluating requests to change the Zoning Ordinance Text or Map.</i>
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35		
36	Section 403.A.	Whether or not the requested zoning change is [1] consistent with the Comprehensive Plan or [2] is justified by an error in the original ordinance.
37		
38		<ul style="list-style-type: none">• [1] Neutral. The Comprehensive Plan encourages infill development and the promotion of scaled businesses in proximity to neighborhoods, but did not envision a brew pub.
39		
40		
41		<ul style="list-style-type: none">• [2] No. There are no known ordinance errors with regard to this application.
42		
43	Section 403.B.	– The precedents, and the possible effects of such precedents, which might result from approval or denial of the petition.
44		
45		
46		<ul style="list-style-type: none">• None. Similar uses exist in the city in different forms.
47		
48	Section 403.C.	– The capability of the city or other government agencies to provide any services, facilities or programs that might be required if the petition were approved.
49		

- 1 • The City and other government agencies are able to enforce the ordinance.

2

3 **Section 403.D. Effect of approval of the petition on the condition or value of property in**
4 **the city.**

- 5 • Effect on property within stated zones: increase in potential business
6 opportunities.
- 7 • Effect on surrounding property: potential new business to the area could
8 have a positive impact on neighboring properties; with the primary use being
9 alcohol-related, state-imposed separations between the proposed use and
10 churches, schools, and playgrounds would apply.

11

12 **Section 403.E. Effect of approval of the petition on adopted development plans and**
13 **policies of the City.**

14

- 15 • The petition provides fill-in economic opportunities similar to those called for in
16 the City Manager's Strategies
 - 17 ○ 1: Define an Economic Development Vision & Define Strategies to
18 Achieve that Vision.
 - 19 ○ Proposed Vision – to foster an environment in which economic activity
20 can be expanded so that all our citizens have an opportunity to enjoy
21 what the community has to offer.
 - 22 ○ Focus Sectors:
 - 23 ▪ Infill retail development.
 - 24 ▪ New technology & communications.
 - 25 ▪ Medical services.

26

27 **DEFINITION RESOURCES**

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29 **SC Definitions**

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31 **Brewpub:**

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33 "Brewpub" means a tavern, public house, restaurant, or hotel which produces on
34 the permitted premises a maximum of two thousand barrels a year of beer for
35 sale on the premises.

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37 A brewpub permit authorizes the holder to:

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39 (1) produce on the permitted premises a maximum of two thousand
40 barrels a year of beer for sale:

41

42 (a) on draft for consumption on the premises;

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44 (b) in a sanitary container brought to the premises by the purchaser
45 and filled at the tap by the permittee at the time of sale; and

46

47 (c) in bottles for consumption by the purchaser off the premises;

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1 (2) sell the beer of a producer which has been purchased from a
2 wholesaler through the normal three-tier distribution chain set forth in
3 Section 61-4-940;

4
5 (3) serve food or otherwise be qualified as a public eating establishment.
6 This provision may not be construed to exempt a permittee or licensee
7 from the requirement that food must be served in order for a license for
8 the consumption of alcoholic liquors on the premises to be issued.

9
10 A brewpub permit holder shall also be allowed to pursue to a liquor permit.

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13 Brewery:

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15 A brewery permitted in this State is authorized to sell beer produced on its
16 permitted premises to consumers on site for on-premises consumption within an
17 area of its permitted and licensed premises approved by the rules and regulations
18 of the Department of Health and Environmental Control governing eating and
19 drinking establishments and other food service establishments. These
20 establishments also may apply for a retail on-premises consumption permit for the
21 sale of beer and wine not produced on the licensed premises that has been
22 purchased from a wholesaler through the three-tier distribution chain. In addition
23 to a retail on-premises consumption permit for the sale of beer and wine as
24 authorized in this subsection, a brewery that has a Department of Health and
25 Environmental Control approved and licensed food establishment on its premises
26 may apply for a license to sell alcoholic liquor by the drink for on-premises
27 consumption within a specified area of its licensed or permitted premises physically
28 partitioned from the brewing operation and designated for the purpose of engaging
29 substantially and primarily in the preparation and serving of meals.

30
31 There is no limit to production or limit to food/alcohol service.

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33 Alcohol and Tobacco Tax and Trade Bureau (US Department of the
34 Treasury), abbreviated TTB:

35
36 Brewpub:

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38 A brewer desiring to operate a tavern as an alternate use of brewery premises,
39 shall submit a Brewer's Notice, containing the information required. If the
40 appropriate TTB officer finds that the operation of the tavern on brewery premises
41 will not jeopardize the revenue or impede the effective administration of this part
42 and is not contrary to specific provisions of law, the approval of the Brewer's
43 Notice, shall constitute approval of the alternate use of brewery premises, in lieu
44 of the application. As used in this section, "tavern" means a portion of brewery
45 premises where beer is sold to consumers. Food, and/or taxpaid wine, and/or
46 taxpaid distilled spirits may also be sold at a tavern operated on brewery premises.

1 Taxpaid beer produced by other brewers may be received, stored and sold on
2 brewery premises.

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4 **Brewery:**

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6 The brewery shall consist of the land and buildings described in the brewer's
7 notice. The continuity of the brewery must be unbroken except where separated
8 by public passageways, streets, highways, waterways, or carrier rights-of-way, or
9 partitions; and if parts of the brewery are so separated they must abut on the
10 dividing medium and be adjacent to each other. Notwithstanding the preceding
11 sentence, facilities under the control of the brewer for case packing, loading, or
12 storing which are located within reasonable proximity to the brewery packaging
13 facilities may be approved by the Secretary as a part of the brewery if the revenue
14 will not be jeopardized thereby.

15
16 The brewery shall be used under regulations prescribed by the Secretary only for
17 the purpose of producing, packaging, and storing beer, cereal beverages
18 containing less than one-half of 1 percent of alcohol by volume, vitamins, ice, malt,
19 malt syrup, and other byproducts and of soft drinks; for the purpose of processing
20 spent grain, carbon dioxide, and yeast; and for such other purposes as the
21 Secretary by regulation may find will not jeopardize the revenue.

22
23 Beer may be removed from the brewery for consumption or sale only in
24 hogsheads, packages, and similar containers, marked, branded, or labeled in such
25 manner as the Secretary may by regulation require, except that beer may be
26 removed from the brewery by pipeline to contiguous distilled spirits plants

27
28 **Brewer's Association Definitions:**

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30 **Microbrewery**

31 A brewery that produces less than 15,000 barrels (17,600 hectoliters) of beer per
32 year with 75 percent or more of its beer sold off-site. Microbreweries sell to the
33 public by one or more of the following methods: the traditional three-tier system
34 (brewer to wholesaler to retailer to consumer); the two-tier system (brewer acting
35 as wholesaler to retailer to consumer); and, directly to the consumer through
36 carry-outs and/or on-site tap-room or restaurant sales.

37
38 **Brewpub**

39 A restaurant-brewery that sells 25 percent or more of its beer on site. The beer is
40 brewed primarily for sale in the restaurant and bar. The beer is often dispensed
41 directly from the brewery's storage tanks. Where allowed by law, brewpubs often
42 sell beer "to go" and /or distribute to off-site accounts. Note: BA re-categorizes a
43 company as a microbrewery if its off-site (distributed) beer sales exceed 75
44 percent.