ORDINANCE NO. O-2021-13

ITEM NO. 8

#### **STAFF REPORT**

### **GENERAL INFORMATION**

APPLICANT Equity Brewing Co., L.L.C.

REQUESTED ACTION Special Use for Light Manufacturing and

Special Use for a Bar, Lounge or Tavern

EXISTING ZONING C-3, Intensive Commercial District

SURROUNDING ZONING

North: R-3, Multi-Family Dwelling District

East: I-1, Light Industrial District

South: C-2, General Commercial District

West: I-1, Light Industrial District

LOCATION 109 E. Tonhawa, Suite 120

PURPOSE Brewery and tap room/Bar, Lounge/Tavern

EXISTING LAND USE Mixed Uses

SURROUNDING LAND USE North: Residential

East: Industrial South: Foundry West: Railroad

LAND USE PLAN DESIGNATION Commercial

<u>SYNOPSIS:</u> Equity Brewing Company, LLC, is requesting approval for a Special Use Permit to allow for Light Manufacturing or Assembly Operations, and Special Use for a Bar, Lounge or Tavern in the C-3, Intensive Commercial District. The operation will consist of a small "nanobrewery" and tasting room/bar use with craft beer sales for on-site consumption, as well as the selling of retail items and their packaged craft brew products to individuals and wholesalers for off-site consumption. The business will be located just north of the Crucible Art Foundry and Gallery, at the northeast corner of N. Jones Avenue and E. Tonhawa Street intersection at 109 E. Tonhawa.

<u>ANALYSIS:</u> A little history of the development of breweries in the region. The State of Oklahoma adopted Senate Bill No. 424 (SB 424) which allows breweries to serve and sell craft beers at their business site; this new law became effective August 25, 2016. Until the adoption of SB 424, local breweries were not permitted to sell their craft beers to customers for on-site

consumption or as package items to consume off-site. Wholesaling was the only means of distribution permitted. As of September 2016 the State of Oklahoma had 13 breweries registered with Oklahoma ABLE Commission; as of September 2020 records show there are now 71.

In the City of Norman Zoning Ordinance, a brewing business can be located by right in an industrially zoned district; however, Special Use for Light Manufacturing in the C-3 District allows for the same type of use typically seen in the I-1 District:

Light Manufacturing or assembly operations, even though otherwise limited to I-1 District, meeting the following requirements:

Similar in character to operations normally associated with a retail business.
Conducted in conjunction with a retail business with one-fourth (1/4) of the building
used for commercial purposes and completely separated from the manufacturing
portion by a fixed wall with not more than one (1) door therein for use by employees.
Conducted entirely within an enclosed building, same to be a building already in
existence but this shall not be construed to prevent alterations to an existing building.
Not objectionable due to noise, odor, dust smoke, vibration, danger to life and property
or otherwise injurious to the health and safety of the neighborhood.

A brewery constitutes a manufacturing use and can have some associated retail components, such as the sale of secondary related products, for instance glasses, t-shirts and other items the business may carry on-site to promote their product, not to mention the sale of their crafted beer for off-site consumption. The focal point for breweries is to provide a tasting room for visitors to sample the crafted brew on the site, while offering tours of the brewery and discussions with staff how the beer is made.

## History of Equity Brewing Company

Equity Brewing Company, Oklahoma's only all-women owned and operated brewery, is dedicated to creating delicious, inventive beer that is enjoyed by all. For us, craft beer is one of life's true pleasures, yet it can feel inaccessible for many. We want to share our passion for great beer with beer aficionados and those new to craft brews. We created Equity Brewing Co. because we wanted beer that not only tastes great, but also promotes positive social change. When someone enjoys an Equity beer, they can help create a more supportive, collaborative and inviting community, in craft beer and beyond. Ultimately, we hope to inspire a more diverse community of beer lovers - to raise the bar for creative and enjoyable craft beer while also leveling the playing field for who has access to wonderful craft brews.

Equity Brewing Co. will develop its first physical location in Norman, Oklahoma. In our space on Tonhawa, we will initially operate a 1-barrel brewing (nano) system. We will have the capacity to brew approximately 5-10 barrels per month (up to 120/year) with this initial equipment and during our first phase at that site. We hope to add to that equipment shortly after opening our operations, but will undoubtedly remain a nanobrewery (less than 2000 barrels/year) in this physical location.

We will be including a small tap room space in the Tonhawa location. We are planning on a small bar space (seating up to 10) and a few other tables (seating up to approximately 10 more). In addition to producing craft beer for the tap room, we will package in cans for direct sales from the space, and will (if capacity allows) distribute to restaurants/bars/liquor stores as

well.

We have begun the federal licensing process to obtain a Brewer's Notice so that we can work with State and City officials on brewery/alcohol permits.

#### **ALTERNATIVES/ISSUES**:

<u>PARKING</u>: This property is zoned C-3, there are no parking requirements for this site; however, there is public parking along Gray, Main and Tonhawa, as well as public parking lots and public parking along Legacy Trail. Parking access on the mentioned public streets will alleviate any concern for on-street parking in the residential neighborhood directly north of this site.

<u>SIGNAGE</u>: A signage plan has not been submitted for review to date but all signage will meet the requirements under the Commercial Designation for the Sign Code.

# **OTHER AGENCY COMMENTS:**

PRE-DEVELOPMENT MEETING PD NO. 20-21 Meeting September 24, 2020

Councilmember Hall attended the meeting via Zoom and discussed with the applicant their business plan, timeline and possible plans moving forward.

<u>PARK BOARD</u>: There are no park requirements for commercial rezoning for Special Use.

**PUBLIC WORKS**: The site is platted with public improvements in place.

<u>CONCLUSION:</u> The business will be licensed with the City Clerk's Office as a Bar for sale of their craft brew, as well as comply with all Oklahoma ABLE regulations. Staff presents this request to the Planning Commission for review and consideration.