ORDINANCE NO. O-1718-39

ITEM NO. 8

# **STAFF REPORT**

### **GENERAL INFORMATION**

APPLICANT CLLC, L.L.C. (BIG Brew)

REQUESTED ACTION Special Use for Light Manufacturing or

Assembly Operations, and Special Use for a

Bar, Lounge or Tavern

EXISTING ZONING C-3, Intensive Commercial District

SURROUNDING ZONING North: C-3, Intensive Commercial District

East: C-3, Intensive Commercial District South: C-3, Intensive Commercial District West: C-3, Intensive Commercial District

LOCATION 216 East Main Street

LOT SIZE 3,500 square feet

PURPOSE Brewery with attached tap/tasting room

EXISTING LAND USE Space for Lease

SURROUNDING LAND USE North: Restaurants & Retail

East: Retail & Office

South: Norman Transcript & Parking Lot

West: Retail & Office

LAND USE PLAN DESIGNATION Current Urban Service Area

**SYNOPSIS:** The applicants, CLLC, L.L.C, also known as BIG Brew Co. - Beer Is Good Brewing Company - are 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.

<u>ANALYSIS:</u> The operation will consist of a small brewery "nanobrewery" and tasting room/bar use with craft beer sales for on-site consumption, as well as selling of retail items and their packaged craft brew product to individuals and wholesalers for off-site consumption. The business will be located just east of the intersection of Main Street and Peters Avenue on the south side of Main Street, 216 East Main Street.

BIG Brew is a nanobrewery; nanobrewery is used to describe a small-scale microbrewery. Per a general definition: a microbrewery might brew up to 15,000 barrels of their craft beer annually, whereas a nanobrewery is likely to be much smaller. The average production of a nanobrewery is about 3 barrels of beer or less in one batch; only producing one batch of domestic beer at a time and distributing it to a limited area. One barrel is equal to about 31 gallons which equates to approximately 2 kegs or 14 cases of beer. This nanobrewery will brew on a 3 barrel (bbl) electric brewing system and plans to only have beer sales through the taproom and possibly some minor keg distribution to area restaurants. Their plan is to produce approximately 12-24 bbl per month or 144-288 bbl annually with scheduled brewing 2 to 4 times per month. BIG Brew plans to have 8 to 10 taps and expand to 12-15 as the market allows. Their business plan is to consistently rotate the beer options so there is always something new on tap for their customers. They hope to sell "crowlers", similar to a growler, which is typically glass, but a crowler is a sealed can that customers can purchase on premise and take home or to other events. These crowlers will be sealed per ABLE guidelines.

The area BIG Brew will be leasing is approximately 3,500 square feet; this includes the covered patio area. Approximately 1,600 square feet will be utilized for the brewing area. The remaining area will be utilized for the tasting room/bar area, cooler, bathrooms, retail and office area. BIG Brew plans to sell accessory items such as: t-shirts, hats and glassware.

In 2016 the State of Oklahoma adopted Senate Bill No. 424 (SB 424) allowing breweries to serve and sell craft beers at their business site; this new law became effective August 25, 2016. Up 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 for these small local businesses. The most recent application for a brewery came to Planning Commission and City Council in late 2016 early 2017 for Lazy Circles Brewing located at 422 East Main Street. The September 2016 ABLE records showed the State of Oklahoma had 13 breweries registered; since the adoption of the SB 424 the January 2018 records show there are now 23 registered with Oklahoma ABLE Commission.

The Zoning Ordinance allows the applicant to request Special Use for Light Manufacturing in the C-3 District which will allow for a brewing business with the following conditions:

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 the manufacturing use with 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 on-site and off-site consumption. The focal point for breweries is to provide a tasting room for visitors to sample the crafted brew on-site, while offering tours of the brewery and discussions with staff how the beer is made. The applicant is proposing a separation from the brew area and the seating, and the business will not be open for customers on the days they are brewing.

### **ALTERNATIVES/ISSUES:**

- PARKING This property is zoned C-3, there are no parking requirements in place for this site; however, there is public parking along Main Street and a public parking lot onehalf block north on Gray Street situated between Peters Avenue and Crawford Avenue. There are many businesses along Main Street and they all utilize the public parking along Main Street or adjacent public parking areas
- **SIGNAGE** Signage plans have not been submitted for review to date but signage was discussed with the applicant and they are aware all signage must meet the requirements under the C-3 District.

# **OTHER AGENCY COMMENTS:**

• PRE-DEVELOPMENT MEETING PD NO. 18-02 Meeting March 1, 2018
The applicants, CLLC, L.L.C, also known as BIG Brew Co. - Beer Is Good Brewing Company - are 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.

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#### Neighbor's Comments/Concerns/Responses

As a fellow downtown business we welcome you to the neighborhood. We look forward to working together for the betterment of downtown.

- PARK BOARD
   There are no park requirements for commercial rezoning for Special Use.
- **PUBLIC WORKS** The site is platted with public improvements in place.

**STAFF RECOMMENDATION:** The business will be licensed with the City Clerk's Office as a Bar for the sale of their craft brew, as well as comply with all Oklahoma ABLE regulations. Staff supports this request and recommends approval of Ordinance No. O-1718-39.