



PLANNING AND ZONING COMMISSION MEMORANDUM

FROM: The Office of the City Manager **DATE:** March 21, 2019

SUBJECT: TR 2019-01 Public hearing to consider amendments to Section 118-1 (Definitions), Section 118-565 (Schedule of Permitted Uses by Character Zone), Section 118-631 (Table of Permitted Uses), Section 118-633 (Special Land Use Regulations), and Section 118-711 (Alcoholic Beverages) of the North Richland Hills Zoning Ordinance regarding alcohol related uses.

PRESENTER: Clayton Comstock, Planning Director

SUMMARY:

Revisions are proposed to the zoning ordinance related to Section 118-1 (Definitions), Section 118-565 (Schedule of Permitted Uses by Character Zone), Section 118-631 (Table of Permitted Uses), Section 118-633 (Special Land Use Regulations), and Section 118-711 (Alcoholic Beverages) of the North Richland Hills Zoning Ordinance regarding alcohol related uses. The revisions would add and define several new land uses in the zoning ordinance and provide associated development standards.

GENERAL DESCRIPTION:

The Development Review Committee (DRC) continually monitors building, land use, and other development issues throughout the city. Over the last year there has been increasing market interest in North Richland Hills for brewpubs, breweries, and similar craft beer establishments.

In reviewing how these uses and other alcohol-related uses are addressed in the zoning ordinance, the DRC noted the following:

- Inconsistent language between Chapter 118 (Zoning) and Chapter 6 (Alcoholic Beverages) of the city code;
- Absence of definitions for individual land uses;
- Conflicting language in the land use tables and general standards; and,
- Lack of alignment between land uses and the state alcoholic beverage code.

These issues were discussed recently during work sessions by the Planning and Zoning Commission (February 21) and City Council (March 4). The input from these work sessions was used to develop the proposed revisions to the zoning ordinance.



The zoning ordinance revisions described below are intended to address each of these issues. The revisions would create clear definitions for each land use, provide consistent terminology throughout the code, and assign objective use-specific standards to ensure compatibility with surrounding areas.

Definitions

The zoning ordinance defines only one alcohol-related land use (bar/tavern), and this use is not listed specifically in the table of permitted uses. In order to align the land uses with current industry practices and state regulations, several new land uses are proposed.

The definition for each use is shown below. Each use will be listed separately in the table of permitted uses for each zoning district. These definitions are proposed to differentiate clearly among each land use type.

Bar means an establishment, licensed by the State for the sale of alcoholic beverages, that derives 75 percent (75%) or more of its gross revenue from the sale or service of alcoholic beverages for on-premise consumption. (Reference Chapter 109, Texas Alcoholic Beverage Code, as amended).

Brewery means a facility that (1) manufactures, bottles, packages, and labels malt liquor, ale, and beer; or (2) sells finished products to wholesalers/distributors; and/or (3) performs any other activity authorized by Chapter 12, Brewer's Permit, of the Texas Alcoholic Beverage Code, as amended.

Brewpub means a facility that (1) manufactures, brews, bottles, cans, packages, and labels malt liquor, ale, and beer; (2) sells or offers without charge malt liquor, ale or beer produced by the brewpub to ultimate consumers for consumption on or off the premises; and/or (3) performs any other activity authorized by Chapter 74, Brewpub License, of the Texas Alcoholic Beverage Code, as amended.

Distillery means a facility that (1) manufactures, rectifies, purifies, and refines distilled spirits and wines; (2) bottles, labels, packages, and sells finished products; (3) sells or offers without charge distilled spirits and wines produced by the distillery to ultimate consumers for consumption on or off the premises; and/or (4) performs any other activity authorized by Chapter 14, Distiller's and Rectifier's Permit, of the Texas Alcoholic Beverage Code, as amended.

Tap Room means an establishment having as its principal or predominant use the retail sales of malt liquor, ale, or beer for consumption on or off the premises, and that derives less than 75 percent (75%) of the establishment's gross revenue from the sale of malt liquor, ale, or beer from on-premise consumption. Pre-packaged meals or full-service meals may be available for consumption on the premises but are not the principal or predominant use of the establishment.

Wine Bar means an establishment having as its principal or predominant use the retail sales of wine for consumption on or off the premises, and that derives less than 75 percent (75%) of the establishment's gross revenue from the sale of wine from on-premise consumption. Pre-packaged meals or full-service meals may be available for consumption on the premises but are not the principal or predominant use of the establishment.

Winery means a facility that (1) ferments juices from grapes and/or other fruit; (2) blends wines; (3) manufactures, bottles, labels, and packages wine; and/or (4) performs any other activity authorized by Chapter 16, Winery Permit, of the Texas Alcoholic Beverage Code, as amended.

General land uses



Currently, the table of permitted uses (Section 118-631) lists only microbrewery as a land use, but this use is not defined. The microbrewery use would be removed from the zoning ordinance. The proposed revisions would add each new land use noted above to the table. The uses would require approval of a special use permit in the various zoning districts.

The existing and proposed land use tables are shown below. For clarity, other uses and the residential districts are not shown.

EXISTING														
P = Permitted by Right S = Special Use Permit Required [Blank] = Not Permitted B = Defers to Base Zoning District	O-1	LR	C-1	C-2	OC	I-1	I-2	U	AG	Town Center				Freeway Corridor
										Edge	General	Center	Core	
G. RETAIL AND SERVICE USES														
Alcoholic beverage sales on-premises – more than 75 percent revenue (See section 118-711)				S										B
J. MANUFACTURING AND INDUSTRIAL USES														
Microbrewery			S	S	S	P	P					S	S	B

PROPOSED														
P = Permitted by Right S = Special Use Permit Required [Blank] = Not Permitted B = Defers to Base Zoning District	O-1	LR	C-1	C-2	OC	I-1	I-2	U	AG	Town Center				Freeway Corridor
										Edge	General	Center	Core	
G. RETAIL AND SERVICE USES														
Brewpub, Tap Room, Wine Bar			S	S		S	S						S	B
Bar				S										B
J. MANUFACTURING AND INDUSTRIAL USES														
Brewery, Distillery, Winery						S	S							

Transit oriented development district land uses

The Transit Oriented Development (TOD) zoning district has a separate schedule of permitted uses in Section 118-565 of the zoning ordinance. The proposed revisions would add each new land use noted above to the TOD schedule of uses, located in Table 5.1 of that section. The uses would require approval of a special use permit in some of the character zones and would not be permitted in others.

The proposed schedule of uses is shown below. The land use bar is added separately to the schedule to ensure consistent use of terminology in all sections of the zoning ordinance. Other references to alcoholic beverage sales are removed from the schedule of uses.



Character Zone	Historic TOD	TOD Core	General Mixed Use (Iron Horse & Smithfield)	TOD Residential	Arterial Mixed Use	High Intensity Mixed Use
Land Use						
Commercial Uses (Office & Retail Uses)						
■ Brewpub, Tap Room, Wine Bar	SUP	SUP	SUP	NP	SUP	SUP
Other Uses						
■ Bar	SUP	SUP	NP	NP	SUP	SUP

Special land use standards

Both the table of permitted uses and TOD schedule of uses include special standards for specific land uses. The proposed revisions would add special land use standards for bars, brewpubs, tap rooms, and wine bars.

Some of these provisions come from existing Section 118-711 (Alcoholic beverages) of the zoning ordinance, which includes location standards related to establishments that provide on-premise consumption.

Section 118-633 Special Land Use Regulations

(29) Alcohol-related uses are subject to the following standards. Refer to Chapter 6 (Alcoholic Beverages) of the City Code for additional standards related to the sale of alcoholic beverages.

Bar. A bar must be located at least 500 feet from another bar or a residence. The distance between any two bars or a bar and a residence is measured in a straight line, without regard to intervening structures or objects, from the closest exterior wall of the structure or occupied tenant space in which the business or residence is located, as applicable.

Section 118-565 Schedule of Permitted Uses by Character Zone

Use	Zone	Location & Design Criteria
Non-Residential Uses		
Bar	All	Refer to Chapter 6 (Alcoholic Beverages) of the City Code for additional standards related to the sale of alcoholic beverages.

Sec. 118-711 Zoning Ordinance and Chapter 6 City Code (Alcoholic Beverages)

As noted above, Section 118-711 of the zoning ordinance includes location and reporting standards related to establishments that provide on-premise consumption. The location standards are moved to the special land use standards section noted above.

Chapter 6 (Alcoholic Beverages) of the city code includes similar reporting standards. For the purpose of eliminating duplicate standards, these reporting standards would be removed from the zoning ordinance and consolidated into Chapter 6. The text for Section 118-711 either would be removed from the zoning ordinance or language added to cross-reference relevant standards.



CITY COUNCIL: The City Council will consider this request at the March 25, 2019, meeting following a recommendation by the Planning and Zoning Commission.

RECOMMENDATION:

Approve TR 2019-01.