



PLANNING AND ZONING COMMISSION MEMORANDUM

FROM: Planning & Zoning Department **DATE:** May 2, 2024
SUBJECT: ZC24-0091 Public hearing and consideration of a request from Alchemi Development Partners for a special use permit for a wine bar at 5600 Rufe Snow Drive, being 1.98 acres described as Lot 1, Block 35, Holiday West Addition.
PRESENTER: Clayton Husband, Principal Planner

SUMMARY:

On behalf of Rufe Snow Plaza II Ltd (property owner) and Margarita Hut (tenant), Alchemi Development Partners is requesting a special use permit for a wine bar on a 1.98-acre property located at 5600 Rufe Snow Drive.

GENERAL DESCRIPTION:

The property is located on the east side of Rufe Snow Drive at the northeast corner of Buenos Aires Drive. The proposed lease area is part of a larger vacant space adjacent to Smoothie King. The applicant proposes to renovate and remodel a portion of the space for a bar use called [Margarita Hut](#).

The applicant proposes to open a 1,900-square foot business that would sell wine-based margaritas to go and for on-premises consumption. The company operates a store located in Little Elm, Texas. Information about the company is attached, which includes a description of the business and a conceptual floor plan.

The property is zoned C-1 (Commercial). The zoning ordinance was amended in March 2019 to add and revise definitions and development standards for alcohol-related uses. This amendment added wine bar as a land use permitted use subject to special use permit approval. A wine bar is defined as an establishment having retail sales of wine as the predominant use, and that derives less than 75% of the gross revenue from the sale from on-premises consumption. Staff discussions with the owner of Margarita Hut indicate that historical sales at the establishment are less than the 75% revenue threshold.

The proposed conditions of approval for this special use permit are attached. Applications for special use permits provide an opportunity to address modifications to specific site development and building design standards for the site. These conditions are based on the applicant's proposed development of the property. These conditions may be modified throughout the public hearing process, but they are subject to final approval by City Council. The special use permit standards address land use, parking lot landscaping, refuse container enclosures, building lighting, and operational standards for the business.



As part of special use permit requests, the Development Review Committee commonly recommends property improvements as a condition of approval. This is intended to address nonconforming features of properties and provide suggested enhancements that would help bring the property closer to compliance with current development standards. The following recommended property improvements are included in the attached conditions of approval. A letter from the property owner is attached that indicates their agreement with the improvements.

1. Flood lights. The roof-mounted floodlight fixtures must be removed from the building.
2. Refuse container enclosures. Enclosures must be constructed or renovated for all refuse containers on the lot. The enclosures must conform to standards found in [Sec. 118-874](#) of the zoning ordinance. These standards generally include a masonry enclosure, pedestrian access gates, and opaque metal gates.
3. Parking lot landscaping. The landscaping regulations require one large tree be planted per 20 parking spaces in a landscape island. The landscape islands in the parking area include crape myrtles, which are considered ornamental trees, and one island that is paved. The crape myrtles should be replaced with a large (shade) tree species and the paved island converted into a landscape island with a shade tree.

LAND USE PLAN: This area is designated on the Land Use Plan as Retail Commercial. The Retail Commercial land use category provides sites for community and regional shopping centers, commercial establishments, and employment centers. These sites are typically located on highways and major thoroughfares at key intersections.

CURRENT ZONING: The property is currently zoned C-1 (Commercial). This district is intended to permit a variety of retail trade, personal and business services establishments, and offices principally serving community and regional needs. The district should be located on the periphery of residential neighborhoods and at intersections of major arterial streets. It is also appropriate for major retail corridors.

SURROUNDING ZONING | LAND USE:

DIRECTION	ZONING	LAND USE PLAN	EXISTING LAND USE
NORTH	C-1 (Commercial)	Retail Commercial	Shopping center
WEST	I-2 (Medium Industrial)	Retail Commercial	Commercial and service uses
SOUTH	C-1 (Commercial)	Retail Commercial	Restaurant (Long John Silvers)
EAST	R-7-MF (Multifamily)	High Density Residential	Apartment complex (The Hudson)

PLAT STATUS: The property is currently platted as Lot 1, Block 35, Holiday West Addition.

CITY COUNCIL: The City Council will consider this request at the May 28, 2024, meeting following a recommendation by the Planning and Zoning Commission.



RECOMMENDATION:

Approve ZC24-0091 subject to the conditions outlines in the attached land use and development regulations.