



Legislation Text

File #: 15-0247, **Version:** 2

Recommendation to declare ordinance amending the Long Beach Municipal Code by amending Table 32-1 of Chapter 21.32, Table 33-2 of Chapter 21.33, and Table 41-C of Chapter 21.41; and by adding Sections 21.15.135, 21.15.2985, and 21.45.114, all relating to alcoholic beverage manufacturing and accessory tasting rooms, read and adopted as read. (Citywide)

On February 11, 2014, the City Council requested the City Manager to review current licensing and zoning policies related to micro/craft alcoholic beverage production; examine best practices in other localities; engage the local alcoholic beverage manufacturing community for ideas and input; and report back to the City Council.

The Alcoholic Beverage Manufacturing (ABM) industry (including micro/craft breweries, distilleries and wineries) has experienced significant growth across the country in the past 30 years. California, already a national leader in wine production, has also emerged as a leader in the micro/craft brewery sector. Currently, California is the nation's top producer of both wine and micro/craft beer and has more wineries and micro/craft breweries than any other state in the nation. The growth in the ABM industry, including production facilities and their accessory tasting rooms, has provided economic benefits in the form of investment, jobs, and tourism to many communities and local governments across the state.

The Long Beach Municipal Code (LBMC) does not include a specific definition for ABM or clear development standards regulating this use. The LBMC does permit similar uses in specific zoning districts, such as the manufacturing of beverages in certain industrial zones, and brewpubs or other similar uses in the Downtown Plan area. However, a Conditional Use Permit (CUP) would be required to open a "tasting room" associated with the ABM use in an industrial zone, and a Zoning Administrator interpretation would be required to determine if a stand-alone ABM facility (unlike a brewpub which allows brewing associated with a restaurant) would be allowed in the Downtown Plan area.

Staff researched zoning regulations in other cities regionally, throughout California and across the nation. A number of California cities, including San Diego and Torrance, permit breweries and accessory tasting rooms by right in industrial districts. The City of Anaheim recently adopted an ordinance that permits breweries and tasting rooms to operate by right in industrial, mixed-use and commercial zones throughout the City, subject to compliance with specific development standards. The Anaheim ordinance is similar to those adopted by cities such as Asheville, NC; Minneapolis and Saint Paul, MN; Denver, CO; and Seattle, WA, all of which are recognized for their ABM industry.

On December 4, 2014, the Planning Commission held a public hearing to consider recommended changes to the LBMC. After receiving public testimony, the Planning Commission approved the recommended changes to the LBMC and recommended that the City Council adopt the draft regulations (Exhibit A - Planning Commission Staff Report). Similar to the regulations discussed above, the proposed LBMC amendments seek to provide the community and the City with the protection and assurances of a CUP, while also establishing a streamlined and consistent application, review and permitting process. Applicants would be required to demonstrate their ability to meet and comply with use-specific special development standards prior to approval. Staff believes that this proposal will significantly reduce the time and expense required to open a new ABM use, and also facilitate the creation of neighborhood friendly establishments for residents and visitors to enjoy. Proposed special development standards for ABM uses include, but are not limited to the following:

- § The ABM and tasting room use shall comply with all federal, state and local laws and regulations, including a valid license from the California Alcohol Beverage Control (ABC) Board for the specific type of alcoholic beverage manufacturing occurring on site.
- § An ABM and tasting room use located in a commercial zone shall not exceed 6,000 square feet of gross floor area (GFA), unless otherwise permitted by a CUP.
- § An ABM use located in a commercial zone may not exceed production of 15,000 barrels of product per year.
- § An ABM use located in a commercial zone must include an accessory tasting room. A tasting room may not exceed thirty percent (30%) of the Gross Floor Area (GFA) of the ABM facility.
- § The purchase, consumption, tasting and sale of alcoholic beverages shall be limited to only those products produced on site.
- § The ABM use and accessory tasting room shall not charge an admission fee, cover charge or require a minimum purchase.
- § An ABM and tasting room use may not be located within five hundred (500) feet of the nearest property line of any preschool, kindergarten, elementary, secondary or high school.
- § All on-site production and storage activities shall be located completely within the ABM facility. Off-site storage is permitted in those zoning districts where storage and warehousing is permitted.
- § The ABM and tasting room use shall not be open to the public, except for the following hours:
 - o Manufacturing & Production: 7:00 a.m. - 7:00 p.m., Monday - Saturday; and;
 - o Tasting Room: 12:00 p.m. - 9:00 p.m., Sunday - Thursday, and 11:00 a.m. - 10:00 p.m., Friday - Saturday.
- § An ABM use shall have a sewer plan approved by the appropriate City Department prior to the issuance of a Certificate of Occupancy.

In accordance with the Guidelines for Implementation of the California Environmental Quality

Act, a Categorical Exemption (CE 14-140) was issued for the proposed project (Exhibit B), and public hearing notices were published in accordance with LBMC 21.21.302.

This matter was reviewed by Deputy City Attorney Amy Webber on March 3, 2015 and by Budget Management Officer Victoria Bell on March 5, 2015.

City Council action is requested on March 24, 2015, to update the existing zoning regulations and allow ABM business with greater opportunity to locate in Long Beach.

There will be no fiscal impact as a result of the recommended action.

Approve recommendation.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AMENDING THE LONG BEACH MUNICIPAL CODE BY AMENDING TABLE 32-1 OF CHAPTER 21.32, TABLE 33-2 OF CHAPTER 21.33, AND TABLE 41-C OF CHAPTER 21.41; AND BY ADDING SECTIONS 21.15.135, 21.15.2985, AND 21.45.114, ALL RELATING TO ALCOHOLIC BEVERAGE MANUFACTURING AND ACCESSORY TASTING ROOMS

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APPROVED:

PATRICK H. WEST
CITY MANAGER