

CITY OF LONG BEACH

DEPARTMENT OF DEVELOPMENT SERVICES

333 West Ocean Blvd., 3rd Floor, Long Beach, CA 90802 (562) 570-5237

H-2

March 24, 2015

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

RECOMMENDATION:

Receive the supporting documentation into the record, conclude the public hearing, and declare the Ordinance amending Title 21 (Zoning) of the Long Beach Municipal Code related to Alcoholic Beverage Manufacturing and Accessory Tasting Rooms read the first time and laid over to the next regular meeting of the City Council for final reading;

Adopt a Resolution directing the Director of Development Services to submit the amendment to Title 21 (Zoning) of the Long Beach Municipal Code related to Alcoholic Beverage Manufacturing and Accessory Tasting Rooms to the California Coastal Commission for their review and certification; and

Accept the Categorical Exemption CE-14-140. (Citywide)

DISCUSSION

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

HONORABLE MAYOR AND CITY COUNCIL MARCH 24, 2015 Page 2 of 3

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

HONORABLE MAYOR AND CITY COUNCIL MARCH 24, 2015 Page 3 of 3

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:
 - Manufacturing & Production: 7:00 a.m. 7:00 p.m., Monday Saturday;
 and:
 - 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.

TIMING CONSIDERATIONS

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.

FISCAL IMPACT

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

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

podel

APPROVED:

AMY/J. BODEK, AICP

DIRECTOR OF DEVELOPMENT SERVICES

PATRICK H. WEST CITY MANAGER

RECTOR OF DEVELOPMENT SERVICES CITY MANAG

AJB:JW:bb

P:\Planning\City Council Items (Pending)\Council Letters\2015\2015-03-24\3.24.15 Alcohol Beverage Manufacturing v5.docx

Attachments:

City Council Ordinance Redlined

City Council Ordinance City Council Resolution

Exhibit A – Planning Commission Staff Report from December 4, 2014

Exhibit B - Categorical Exemption

ALCOHOLIC BEVERAGE MANUFACTURING ORDINANCE REDLINED VERSION

Section 1. Table 32-1 of Chapter 21.32 of the Long Beach Municipal Code is amended by adding Alcoholic Beverage Manufacturing and Accessory Tasting Room to read as follows:

TABLE 32-1 Uses in All Other Commercial Zoning Districts

,	Nei	ghborho	ood	*	Comn	nunity		Regional	Other	
Alcoholic Beverage Manufacturing and Accessory Tasting Room	CNP	CNA	CNR	CCA	ССР	CCR	CCN	CHW	CS	9
Alcohol Beverage Manufacturing*	Y	Y	Y	Y	Y	Y	Y	Y	Y	*Subject to special development standards
Accessory Tasting Room*	A	A	A	A	A .	A	A	<u>A</u>	A	(see Section 21.45.114). Alcoholic Beverage Manufacturing and Accessory tasting room uses shall be permitted in all Planned Development (PD) Districts allowing commercial uses, subject to Section 21.45.114.

Section 2. Table 33-2 of Chapter 21.33 of the Long Beach Municipal Code is amended by adding Alcoholic Beverage Manufacturing and Accessory Tasting Room to read as follows:

, , , , , , , , , , , , , , , , , , , ,	13	Tabl	e 33-2				
Uses In Industrial Districts							
Use	IL	IM	IG	IP	*Notes and Exceptions		
		Ц	4		~		
15. Alcoholic Beverage Manufacturing* (SIC code 208)*	<u>Y</u>	Y	Y	<u>N</u>	*Subject to special development standards (see Section 21.45.114). Alcoholic Beverage Manufacturing and Accessory tasting room uses shall be permitted in all Planned Development (PD) Districts allowing Commercial uses, subject to		
15.1 Accessory Tasting Room*	A	<u>A</u>	A	N	Section 21.45.114.		

Section 3. Table 41-1C of Chapter 21.41 of the Long Beach Municipal Code is amended to add Alcoholic Beverage Manufacturing and accessory Tasting Room to read as follows:

TABLE	E 41-1C
Required Number o	f Parking Spaces for
Commercial, Industrial/Manu	Ifacturing and All Other Uses
Use	Required Number of Spaces
Alcoholic Beverage Manufacturing and Accessory Tasting Room	, ,
1. Manufacturing/Brewing area	2 spaces per 1,000 SF GFA
2. Tasting Room area	15 spaces per 1,000 SF GFA
3. Office space	If greater than 25% of total GFA 4 spaces per 1,000 SF GFA; if less than 25% total GFA, the area shall be included in the manufacturing/brewing area calculation.

Section 4. Section 21.15.135 is added to the Long Beach Municipal Code to read as follows:

21.15.135 Alcoholic Beverage Manufacturing

Alcoholic Beverage Manufacturing (ABM) means a facility that is used for the production of alcoholic beverages including beer, wine and distilled spirits in accordance with a valid alcohol production license from the State of California. An ABM use may include an accessory tasting room as an accessory use. The accessory tasting room may not exceed thirty percent (30%) of the gross floor area (GFA) of the ABM facility, not including restrooms serving the accessory tasting room or ABM facility. Food may be sold in a form that is ready to eat at the time of sale; a full service kitchen is not permitted in ABM facilities or accessory tasting rooms.

Section 5. Section 21.15.2985 is added to the Long Beach Municipal Code to read as follows:

21.15.2985 Accessory Tasting Room

Accessory Tasting Room means an accessory use associated with an Alcoholic Beverage Manufacturing (ABM) facility use that is devoted to the purchase, consumption and tasting of beer, wine or distilled spirits produced on site. Consumption, tasting and purchase of alcoholic beverages shall be limited to product produced on site. An accessory tasting room may also include ancillary retail sales directly associated with the primary ABM use. An accessory tasting room may not exceed thirty percent (30%) of the gross floor area (GFA) of the ABM facility, not including restrooms serving the accessory tasting room or ABM facility. Food may be sold in a form that is ready to eat at the time of sale; a full service kitchen is not permitted in an accessory tasting room.

Section 6. Section 21.45.114 is added to the Long Beach Municipal Code to read as follows:

21.45.114 Alcohol Beverage Manufacturing and Accessory Tasting Rooms

The following special development standards shall apply to Alcohol Beverage Manufacturing (ABM) uses and Accessory Tasting Rooms:

- 1. An ABM and accessory 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.
- 2. An ABM and accessory 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 Conditional Use Permit (CUP).
- 3. An ABM use located in a commercial zone may not exceed production of 15,000 barrels per year.

- 4. An ABM use located in a commercial zone must include an accessory tasting room.
- 5. An ABM and accessory 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, as measured from the nearest property line of the site on which the alcohol manufacturing use is located.
- 6. All production activities shall be located completely within the ABM facility. All on-site storage shall be located within the ABM facility. Off-site storage is permitted in those zoning districts where storage and warehousing is permitted.
- 7. The display of alcoholic beverages shall not be located outside of an ABM and accessory tasting room facility.
- 8. The ABM and accessory tasting room use shall not be open to the public, except for the following hours:

<u>Manufacturing & Production: 7:00 a.m. – 7:00 p.m. Monday – Saturday;</u> and

Accessory Tasting Room: 12:00 p.m. – 9:00 p.m. Sunday – Thursday and 11:00 a.m. – 10:00 p.m. Friday – Saturday.

- 9. Service trucks used for the purposes of loading and unloading materials, ingredients, products, and equipment shall be restricted to the hours of 8:00 a.m. 6:00 p.m. Monday Friday and 11:00 a.m. 6:00 p.m. on Saturday; the use of service trucks for the purposes of loading and unloading materials, ingredients, equipment and finished product shall be prohibited on Sunday.
- 10. To the greatest extent feasible, access and loading bays are discouraged from facing toward a street.
- 11. The purchase, consumption, tasting and sales of alcoholic beverages shall be limited to only those products produced on site.
- 12. Ancillary retail sales shall be limited to only those retail items directly associated with the on-site ABM facility and accessory tasting room.
- 13. The ABM use or accessory tasting room shall not charge an admission fee, cover charge or require a minimum purchase.
- 14. A sewage plan and all on site infrastructure shall be approved by the appropriate City departments.

- 15. The ABM use shall comply with Chapter 8.80 "Noise" of the Long Beach Municipal Code.
- 16. A security plan, including a video surveillance and exterior lighting plan, satisfactory to the Chief of Police shall be submitted to and approved by the Police Department prior to the issuing of a Certificate of Occupancy. The video surveillance system shall be installed to assist with monitoring the property on both the interior and exterior. A Digital Video Recorder (DVR), capable of exporting images in TIFF, BMP, or JPG format shall be used. Recording shall be retained for no less than thirty (30) days. Exterior lighting shall clearly illuminate the common areas surrounding the building including, but not limited to, the entrance and exit doors, as well as the business address.
- 17. No more than ten percent (10%) of the square footage of the windows and transparent doors of the premises shall be allowed to bear advertising, signs or any other obstructions. All advertising, signage or other obstructions shall be placed and maintained to ensure a clear and unobstructed view of the establishment's interior. Window signs displaying prices shall be prohibited. No advertising or signage shall be placed in the area above three (3) feet or below six (6) feet in height of all windows measured from grade.
- 18. No publicly accessible exterior pay telephones shall be located on the ABM and accessory tasting room use premises.
- 19. Tours of the ABM and accessory tasting room use shall occur on regularly scheduled days and times. The operator shall ensure that tours do not negatively impact adjacent businesses or property owners.
- 20. ABM and accessory tasting room uses located adjacent to or across from residential areas shall be restricted from utilizing natural ventilation practices that may negatively impact neighboring residences and may be required to install mechanical air filtration systems to the satisfaction of the Director of Development Services.

OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 333 West Ocean Boulevard, 11th Floor Lona Beach. CA 90802-4664

ORDINANCE NO.

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

The City Council of the City of Long Beach ordains as follows:

Section 1. Table 32-1 of Chapter 21.32 of the Long Beach Municipal Code is amended by adding Alcoholic Beverage Manufacturing and Accessory Tasting Room to read as follows:

TABLE 32-1 Uses in All Other Commercial Zoning Districts

	Ne	ighborh	ood		Comn	nunity		Regional	Other	
Alcoholic Beverage Manufacturing and Accessory Tasting Room	CNP	CNA	CNR	CCA	ССР	CCR	CCN	CHW	cs	
Alcohol Beverage Manufacturing*	Υ	Y	Y	Y	Y	Y	Y	Y	Υ	*Subject to special development
Accessory Tasting Room*	Α	Α	А	А	А	А	А	А	А	standards (see Section 21.45.114). Alcoholic Beverage Manufacturing and Accessory

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Section 2. Table 33-2 of Chapter 21.33 of the Long Beach Municipal Code is amended by adding Alcoholic Beverage Manufacturing and Accessory Tasting Room to read as follows:

Table 33-2 **Uses In Industrial Districts** Use IL IM IG ΙP *Notes and Exceptions 15. Alcoholic Beverage *Subject to special development Υ Υ Υ Ν Manufacturing* standards (see Section 21.45.114). (SIC code 208)* Alcoholic Beverage Manufacturing and Accessory tasting room uses shall be permitted in all Planned 15.1 Accessory Tasting Room* Α Ν Development (PD) Districts allowing Commercial uses, subject to Section 21.45.114.

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Section 3. Table 41-1C of Chapter 21.41 of the Long Beach Municipal Code is amended to add Alcoholic Beverage Manufacturing and accessory Tasting Room to read as follows:

TABLE 41-1C Required Number of Parking Spaces for Commercial, Industrial/Manufacturing and All Other Uses

Use	Required Number of Spaces			
Alcoholic Beverage Manufacturing and Accessory Tasting Room				
Manufacturing/Brewing area	2 spaces per 1,000 SF GFA			
2. Accessory Tasting Room area	15 spaces per 1,000 SF GFA			
3. Office space	If greater than 25% of total GFA 4 spaces per 1,000 SF GFA; if less than 25% total GFA, the area shall be included in the manufacturing/brewing area calculation.			

Section 4. Section 21.15.135 is added to the Long Beach Municipal Code to read as follows:

21.15.135 Alcoholic Beverage Manufacturing

Alcoholic Beverage Manufacturing (ABM) means a facility that is used for the production of alcoholic beverages including beer, wine and distilled spirits in accordance with a valid alcohol production license from the State of California. An ABM use may include an accessory tasting room as an accessory use. The accessory tasting room may not exceed thirty percent (30%) of the gross floor area (GFA) of the ABM facility, not including restrooms serving the accessory tasting room or ABM facility. Food may be sold in a form that is ready to eat at the time of sale; a full service kitchen is not permitted in ABM facilities or accessory tasting rooms.

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Section 5. Section 21.15.2985 is added to the Long Beach Municipal Code to read as follows:

21.15.2985 Accessory Tasting Room

Accessory Tasting Room means an accessory use associated with an Alcoholic Beverage Manufacturing (ABM) facility use that is devoted to the purchase, consumption and tasting of beer, wine or distilled spirits produced on site. Consumption, tasting and purchase of alcoholic beverages shall be limited to product produced on site. An accessory tasting room may also include ancillary retail sales directly associated with the primary ABM use. An accessory tasting room may not exceed thirty percent (30%) of the gross floor area (GFA) of the ABM facility, not including restrooms serving the accessory tasting room or ABM facility. Food may be sold in a form that is ready to eat at the time of sale; a full service kitchen is not permitted in an accessory tasting room.

Section 6. Section 21.45.114 is added to the Long Beach Municipal Code to read as follows:

21.45.114 Alcohol Beverage Manufacturing and Accessory Tasting
Rooms

The following special development standards shall apply to Alcohol Beverage Manufacturing (ABM) uses and Accessory Tasting Rooms:

- 1. An ABM and accessory 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.
- 2. An ABM and accessory tasting room use located in a commercial zone shall not exceed six thousand (6,000) square feet of gross floor area (GFA), unless otherwise permitted by a Conditional Use

OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach. CA 90802-4664

Permit (CUP).

- 3. An ABM use located in a commercial zone may not exceed production of fifteen thousand (15,000) barrels per year.
- 4. An ABM use located in a commercial zone must include an accessory tasting room.
- 5. An ABM and accessory tasting room may not be located within five hundred (500) feet of the nearest property line of any preschool, kindergarten, elementary, secondary, or high school, as measured from the nearest property line of the site on which the alcohol manufacturing use is located.
- 6. All production activities shall be located completely within the ABM facility. All on-site storage shall be located within the ABM facility. Off-site storage is permitted in those zoning districts where storage and warehousing is permitted.
- 7. The display of alcoholic beverages shall not be located outside of an ABM and accessory tasting room facility.
- 8. The ABM and accessory tasting room use shall not be open to the public, except for the following hours:

 Manufacturing & Production: 7:00 a.m. 7:00 p.m. Monday Saturday; and Accessory Tasting Room: 12:00 p.m. 9:00 p.m. Sunday Thursday and 11:00-a.m. 10:00 p.m. Friday Saturday.
- 9. Service trucks used for the purposes of loading and unloading materials, ingredients, products, and equipment shall be restricted to the hours of 8:00 a.m. 6:00 p.m. Monday Friday and 11:00 a.m. 6:00 p.m. on Saturday; the use of service trucks for the purposes of loading and unloading materials, ingredients, equipment and finished product shall be prohibited on Sunday.
 - 10. To the greatest extent feasible, access and loading bays are

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discouraged from facing toward a street.

- 11. The purchase, consumption, tasting and sales of alcoholic beverages shall be limited to only those products produced on site.
- 12. Ancillary retail sales shall be limited to only those retail items directly associated with the on-site ABM facility and accessory tasting room.
- 13. The ABM use or accessory tasting room shall not charge an admission fee, cover charge or require a minimum purchase.
- A sewage plan and all on site infrastructure shall be 14. approved by the appropriate City departments.
- 15. The ABM and accessory tasting room use shall comply with Chapter 8.80 "Noise" of the Long Beach Municipal Code.
- 16. A security plan, including a video surveillance system and exterior lighting plan, satisfactory to the Chief of Police shall be submitted to and approved by the Police Department prior to the issuing of a Certificate of Occupancy. The video surveillance system shall be installed to assist with monitoring the property on both the interior and exterior. A Digital Video Recorder (DVR), capable of exporting images in TIFF, BMP, or JPG format shall be used. Recording shall be retained for no less than thirty (30) days. Exterior lighting shall clearly illuminate the common areas surrounding the building including, but not limited to, the entrance and exit doors, as well as the business address.
- 17. No more than ten percent (10%) of the square footage of the windows and transparent doors of the premises shall be allowed to bear advertising, signs or any other obstructions. All advertising, signage or other obstructions shall be placed and maintained to ensure a clear and unobstructed view of the establishment's interior. Window signs displaying prices shall be prohibited. No advertising or signage shall be

- 18. No publicly accessible exterior pay telephones shall be located on the ABM and accessory tasting room use premises.
- 19. Tours of the ABM and accessory tasting room use shall occur on regularly scheduled days and times. The operator shall ensure that tours do not negatively impact adjacent businesses or property owners.
- 20. ABM and accessory tasting room uses located adjacent to or across from residential areas shall be restricted from utilizing natural ventilation practices that may negatively impact neighboring residences and may be required to install mechanical air filtration systems to the satisfaction of the Director of Development Services.

Section 7. The City Clerk shall certify to the passage of this ordinance by the City Council and cause it to be posted in three (3) conspicuous places in the City of Long Beach, and it shall take effect on the thirty-first (31st) day after it is approved by the Mayor.

I hereby certify that the foregoing ordinance was adopted by the City Council of the City of Long Beach at its meeting of ______, 20_____, by the following vote:

Ayes: Councilmembers:

Noes: Councilmembers:

: Councilmembers:

OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach. CA 90802-4664

Absent:	Councilmembers:	
		City Clerk
Annroyadı		
Approved:(Date)	Mayor

OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach, CA 90802-4664

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH AUTHORIZING THE DIRECTOR OF
DEVELOPMENT SERVICES TO SUBMIT AMENDMENTS
TO THE LONG BEACH ZONING REGULATIONS TO THE
CALIFORNIA COASTAL COMMISSION FOR APPROVAL

WHEREAS, on _______, 2015, the City Council of the City of Long Beach amended certain provisions of the Long Beach Zoning Regulations, Title 21 of the Long Beach Municipal Code, relating to Alcoholic Beverage Manufacturing and Accessory Tasting Rooms; and

WHEREAS, it is the desire of the City Council to submit the above referenced zoning regulation amendments to the California Coastal Commission for its review; and

WHEREAS, the Planning Commission and City Council gave full consideration to all facts and the proposals respecting the amendments to the zoning regulations at properly noticed and advertised public hearings; and

WHEREAS, the City Council, in accordance with the recommendation of the Planning Commission, approved the proposed amendments to the zoning regulations by adopting amendments to Chapter 21.15, 21.32, 21.33, 21.41, and 21.45 related to Alcoholic Beverage Manufacturing and Accessory Tasting Rooms. The proposed zoning regulation amendments are to be carried out in a manner fully consistent with the Coastal Act and become effective in the Coastal Zone immediately upon Coastal Commission certification and approval; and

WHEREAS, the City Council hereby finds that the proposed zoning amendments will not adversely affect the character, livability or appropriate development in the City of Long Beach and that the amendments are consistent with the goals,

OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach, CA 90802-4664

	I certi	fy that this resolution	was adopted by the City Council of the City of
Long Beach	at its n	neeting of	, 2015, by the following vote:
Ayes:		Councilmembers:	
Noes:	•	Councilmembers:	
Abser	nt:	Councilmembers:	
			City Clerk

AGENDA ITEM No.



CITY OF LONG BEACH

DEPARTMENT OF DEVELOPMENT SERVICES

333 West Ocean Blvd., 5th Floor Long Beach, CA 90802 (562) 570-5237 Fax: (562) 570-6205

December 4, 2014

CHAIR and PLANNING COMMISSIONERS City of Long Beach California

RECOMMENDATION:

Recommend that the City Council adopt an amendment to Chapter 21 (Zoning) of the Long Beach Municipal Code related to alcoholic beverage manufacturing (ABM) and accessory tasting rooms and accept Categorical Exemption (CE) 14-140 (Citywide).

APPLICANT:

City of Long Beach

333 W. Ocean Boulevard Long Beach, CA 90802 (Application No. 1411-07)

DISCUSSION

In February 2014, the City Council requested that the City Manager review current licensing and zoning policies for potential microbreweries and beer production; examine best practices for brew policy in other localities including San Diego and Torrance; engage local brewpubs and the retail community for ideas and input; and report back to the City Council.

The Alcoholic Beverage Manufacturing (ABM) industry (including micro/craft breweries, nanobreweries and brewpubs) has experienced significant growth across the country in the past 30 years. Recently, California has emerged as a leader in this growth, particularly in the micro/craft brewery sector. Currently, California has more micro/craft breweries than any other state, is the largest producer of micro/craft beer in the country, and has had more micro/craft breweries open in 2013 than any other state.

The City's zoning code does not include a definition for ABM or development standards regulating this use. However, the code does define and permit similar uses in certain zoning districts. The manufacturing of food and beverages, including breweries, (Standard Industry Classification [SIC] Code 2082)), is permitted in the Light Industrial (IL) and General Industrial (IG) zoning districts. A Conditional Use Permit (CUP) is required for an eating or drinking establishment engaged in the sale of alcohol in the IL and IG zones. A brewpub or other "similar use," which may sell beer produced on site for on-sale and off-sale consumption is permitted by right in the Downtown Plan area. However, an interpretation from the Zoning Administrator would be required to determine if a stand-

CHAIR and PLANNING COMMISSIONERS December 4, 2014 Page 2 of 3

alone micro/craft brewery (without the service of food often associated with a brewpub) would be considered a "similar use" to a brewpub and permitted in the Downtown Plan area.

Staff has collaborated with the Long Beach Police Department (LBPD) and the City Attorney's office to establish definitions and development standards related to the use, and to identify zones where the use should be permitted. The proposed code amendments (Exhibit A – Proposed Code Amendments) would permit ABM uses and accessory tasting rooms of limited size and production capacity to be established in all commercial and industrial districts citywide as well as commercially oriented planned development districts. The associated development standards are intended to protect the health, safety, welfare and interests of residents and commercial neighbors, streamline the review and permitting process, and create a business friendly environment for applicants interested in starting an ABM and accessory tasting room use.

Although the proposed code amendment would allow an ABM use to operate without a CUP, the proposed development standards would replace the conditions of approval that are typically included in the CUP process. Staff believes that this approach will reduce the time and money associated with the CUP process while still providing development and operational parameters necessary to minimize impacts to nearby properties. The proposed development standards include, but are not limited to, the following:

- An ABM use shall comply with all federal, state and local laws and regulations;
- An ABM 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 per year;
- The purchase, consumption, tasting and sale of alcoholic beverages shall be limited to only those products produced on site;
- A tasting room may not exceed thirty percent (30%) of the GFA of the ABM facility.
- The ABM use or accessory tasting room shall not charge an admission fee, cover charge or require a minimum purchase;
- The site may not be located within five hundred (500) feet of the nearest property line of any public school;
- All production and storage activities shall be located completely within the ABM facility;
- The ABM use shall not operate outside of the following hours:
 - 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.

CHAIR and PLANNING COMMISSIONERS December 4, 2014 Page 3 of 3

• An ABM use shall have a sewer plan approved by the Public Works Department and a security plan approved by LBPD prior to the issuance of a Certificate of Occupancy.

Staff believes that the proposed code amendments will provide a streamlined, business-friendly application, review and permitting process, while also incorporating a level of review and requirements that will ensure that residents and neighboring commercial businesses are not only protected from any potential negative impact from the use, but also benefit from a land use that is in demand in communities in California and throughout the United States.

PUBLIC HEARING NOTICE

A public hearing notice was published in the Long Beach Press-Telegram on November 17, 2014, as required by the Long Beach Municipal Code. No responses have been received as of the date of preparation of this report.

ENVIRONMENTAL REVIEW

In accordance with the California Environmental Quality Act (CEQA), a Categorical Exemption (CE-14-140) has been prepared for this ordinance amendment (Exhibit B – Categorical Exemptions).

Respectfully submitted,

JEFF WINKLEPLECK

ACTING PLANNING ADMINISTRATOR

AMY J. BODEK, AICP

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DIRECTOR OF DEVELOPMENT SERVICES

AJB:JW:BB

P:\Planning\PC Staff Reports (Pending)/2014/2014-12-04/1411-17 ABM PC Report

Attachments:

Exhibit A – Proposed Code Amendments

Exhibit B – Categorical Exemption

Permitted Districts:

Alcoholic Beverage Manufacturing (ABM) uses shall be permitted by right, subject to special development standards, in all industrial and commercial zoning districts and in the Downtown Plan area (PD-30).

ABM uses shall be permitted by an Administrative Use Permit in commercial and industrial oriented planned development (PD) districts, except in PD-30, where the use shall be permitted by right.

All ABM uses shall be subject to use specific development standards.

Definitions:

Alcoholic Beverage Manufacturing (ABM)

Means: A facility that is used for the production of alcoholic beverages including beer, wine and distilled spirits in accordance with a valid alcohol production license from the State of California. An ABM use may include a tasting room as an accessory use. The accessory tasting room may not exceed thirty percent (30%) of the building area. Food may be sold in a form that is ready to eat at the time of sale; a full service kitchen is not permitted in ABM facilities or accessory tasting rooms.

Tasting Room:

Means: An accessory use associated with an ABM use that is devoted to the purchase, consumption and tasting of beer, wine or distilled spirits produced on site. Consumption, tasting and purchase of alcoholic beverages shall be limited to product produced on site. A tasting room may also include ancillary retail sales directly associated with the primary ABM use. A tasting room may not exceed thirty percent (30%) of the building area of the ABM facility, not including restrooms serving the tasting room or ABM facility. Food may be sold in a form that is ready to eat at the time of sale; a full service kitchen is not permitted in an accessory tasting room.

Special Development Standards:

All ABM uses shall comply with the following standards:

- 1. An ABM use shall comply with all federal, state and local laws and regulations.
- 2. An ABM use located in a commercial zone shall not exceed 6,000 square feet of gross floor area (GFA), unless otherwise permitted by a Conditional Use Permit (CUP). An ABM use located in an industrial zone shall not be limited in size.
- 3. An ABM use located in a commercial zone may not exceed production of 15,000 barrels per year.

- 4. An ABM may not be located within five hundred (500) feet of the nearest property line of any public school, as measured from the nearest property line of the site on which the alcohol manufacturing use is located.
- 5. All production and storage activities shall be located completely within the ABM facility.
- 6. The display of alcoholic beverages shall not be located outside of a building or within five (5) feet of any public entrance to the building.
- 7. The ABM use shall not operate outside of the following hours:
 - Manufacturing & Production: 7:00 a.m. 7:00 p.m. Monday Saturday; and
 - Tasting Room: 12:00 p.m. 9:00 p.m. Sunday Thursday and 11:00 a.m. 10:00 p.m. Friday Saturday.
- 8. Service trucks used for the purposes of loading and unloading materials, ingredients, products, and equipment shall be restricted to the hours of 8:00 a.m. 6:00 p.m. Monday Friday and 11:00 a.m. 6:00 p.m. on Saturday; the use of service trucks for the purposes of loading and unloading materials, ingredients, equipment and finished product shall be prohibited on Sunday.
- 9. To the greatest extent feasible, access and loading bays are discouraged from facing toward a street.
- 10. The purchase, consumption, tasting and sales of alcoholic beverages shall be limited to only those products produced on site.
- 11. Ancillary retail sales shall be limited to only those retail items directly associated with the on-site ABM facility and accessory tasting room.
- 12. The ABM use or accessory tasting room shall not charge an admission fee, cover charge or require a minimum purchase.
- 13. A sewage plan and all on site infrastructure shall be approved by the City Public Works Department prior to issuing of Certificate of Occupancy.
- 14. The ABM use shall comply with Chapter 8.80 Noise of the Long Beach Municipal Code.
- 15. A security plan, including a surveillance and lighting plan, satisfactory to the Chief of Police shall be submitted to and approved by the Police Department prior to issuing of a Certificate of Occupancy. The security plan is intended to prevent nuisance activity or behavior associated with the ABM use and to encourage compatibility with neighboring uses.

- 16. No more than ten percent (10%) of the square footage of the windows and transparent doors of the premises shall be allowed to bear advertising, signs or any other obstructions including products, shelving, display items and/or coolers. All advertising, signage, product, shelving, display items and/or coolers shall be placed and maintained to ensure a clear and unobstructed view of the establishment's interior. Window signs displaying prices shall be prohibited. No advertising or signage shall be placed in the area above three (3) feet or below six (6) feet in height of all windows measured from grade.
- 17. No publicly accessible exterior pay telephones shall be located on the ABM use premises.
- 18. Tours of the ABM facility shall occur on regularly scheduled days and times. The operator shall ensure that tours do not negatively impact adjacent businesses or property owners.
- 19. ABM uses located adjacent to or across from residential areas shall be restricted from utilizing natural ventilation practices that may negatively impact neighboring residences.

Parking and Loading Requirements:

Parking requirements for the ABM use shall be provided as follows:

- Manufacturing/Brewing area: 2 spaces / 1,000 square feet GFA
- Tasting Room area: 15 spaces / 1,000 square feet GFA
- Office Space: If greater than 25% of total GFA 4 spaces / 1,000 square feet GFA, if less than 25% total GFA the area shall be included in manufacturing/brewing area calculation.

EXHIBIT B



NOTICE of EXEMPTION from CEQA

DEPARTMENT OF DEVELOPMENT SERVICES

333 W. OCEAN BLVD., 5TH FLOOR, LONG BEACH, CA 90802

(562) 570-6194 Fax: (562) 570-6068

Ibds.longbeach.gov

TO: Office of Planning & Research 1400 Tenth Street, Room 121 Sacramento, CA 95814	FROM: Department of Development Services 333 W. Ocean Blvd, 5 th Floor Long Beach, CA 90802
L.A. County Clerk Environmental Fillings 12400 E. Imperial Hwy. 2 nd Floor, Room 2 Norwalk, CA 90650	001
Categorical Exemption CE- 14-140	
Project Location/Address: Citywide	
Project/Activity Description: Recommendation that the City Council adopt an amendment to Chapter 21 (related to alcoholic beverage manufacturing (ABN Categorical Exemption (CE) 14-140.	(Zoning) of the Long Beach Municipal Code
Public Agency Approving Project: City of Long Beacl	n, Los Angeles County, California
Applicant Name: City of Long Beach	
Mailing Address: 333 W. Ocean Boulevard, Long Bea	ch, CA 90802
Phone Number: (562) 570-6922 Appli	cant Signature:
Below This Line Fo	DR STAFF LISE ONLY
DECOY THIS ENGLY	TOTAL OSE ONE.
Application Number: 1411-07 Planner's	Initials: BB
Required Permits: Amendment	
STATE GUIDELINES SECTION MANSA 12	, and the second
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Statement of support for this finding:	
Lhunges to regulation	onto (changes.
Contact Person: <u>Brun</u> (<u>Birne in</u>) Signature: <u>Rot W. B. helmi</u>	Contact Phone: <u>(562) 570 - 692</u> Date: <u>II/14/14</u>