



AGENDA ITEM COVERSHEET

PREPARED BY: Gloria Abbotts, Sr Planner

DEPARTMENT: Planning &
Development

MEETING: Town Council – April 11th, 2023

SUBJECT: **Text Amendment** to amend Chapter 40, Art. III. – Zoning District Regulations, Art. IX. – Development Standards for Particular Uses, and Art. XVII. – Definitions to create standards for Wine Shops and Beer Shops in Neighborhood Business.
Applicant: Maxwell Sussman

BACKGROUND:

The applicant, Maxwell Sussman, is proposing a text amendment to allow for Wine Shops and Beer Shops with on-premise alcohol sales as a use in the Neighborhood Business (NB) District by right. Currently the Zoning Ordinance allows for Wine and beer shops with retail and off-premise sales of alcohol only.

Proposal:

The applicant owns the Veggie Wagon located in the NB district (See map). The business currently has an off-premise wine and malt beverage permit. The applicant would like to apply for on-premise wine and malt beverage permit at that location. Veggie Wagon is currently permitted as a retail establishment. For allowances of on-premise wine and malt beverage the current ordinance categorizes the use as either a standard restaurant, bar, or a brewery. The Veggie Wagon does not meet the definition of a standard restaurant or brewery. Breweries and bars are not permitted in the NB district.

Wine Shop:

The applicant proposes to add wine shop (on-premise) to the table of allowed uses. The Current Ordinance allows for wine shops (off-premise) as retail. The ABC commission created an allowance in recent years for a wine shop to have limited sales of on-premise consumption. Wine shops must comply with all ABC standards and obtain proper permits. Per NCGS 18B, wine shop permits authorize the retail sale of malt beverages, unfortified wine, and fortified wine in the manufacturer's original container and/or dispensed from a tap for consumption off the premises. The holder of the permit is allowed to sell unfortified wine for consumption on the premises, provided that the sale of wine for consumption on the premises does not exceed forty percent (40%) of the establishment's total sale for any 30 day period. The limited consumption of on-

premise wine would be subject to an audit by the ABC commission. Wine Shops (on-premise) will be permitted by right in the CBD, NB, and HB Districts.

Beer Shop:

The applicant would also like the ability to provide malt beverage on premise in the NB district. Beer shops would need to obtain an On-Premises Malt Beverage Permit to allow for the retail sale of malt beverages for consumption on and off premise. The ABC regulations do not have the same limitations for a Beer Shop as they do for a Wine Shop and would be allowed to offer malt beverage on-premise without any limitation or percentages to off-premise sales. The proposal is for Beer Shops to only be permitted by right in the NB District. To reduce the impacts from the use on to adjoining properties, staff proposes for any outdoor or indoor areas to be located three times the minimum setback yard for the district from any interior lot line from an adjacent property.

The text amendment consists of defining both uses. Beer Shops will be defined as an establishment substantially engaged in retail sale of malt beverages on and off premises subject to the ABC Commission regulations. Wine Shops will be defined as an establishment substantially engaged in retail sale of unfortified wine and fortified wine for consumption on and off premises subject to the NC ABC Commission regulations.

Recommendation:

Staff proposes to define each use and supports the proposed amendment that would limit beer shops to have larger setback yard to protect the neighboring properties and mitigate any concerns of the use because they would not be limited to a percentage of on-premise consumption.

Planning and Zoning recommended unanimous approval of the text amendment.

Land Use Plan:

The text amendment is in general conformity with the 2020 Land Use Plan by promoting a healthy year-round economy, providing a family-friendly community, and promoting redevelopment. The Neighborhood Business Zoning District aligns with both the High Density Residential/Light Commercial and the Low Intensity Commercial Character Areas in the Land Use Plan.

ACTION REQUESTED:

Consider recommending approval or denial of the text amendment.

MOTION:

Approval – to amend Chapter 40, Art. III. – Zoning District Regulations, Art. IX. – Development Standards for Particular Uses, and Art. XVIII. Definitions. to create standards for Wine Shops and Beer Shops in Neighborhood Business.

Denial – to amend Chapter 40, Art. III. – Zoning District Regulations, Art. IX. – Development Standards for Particular Uses, and Art. XVIII. Definitions. to create standards for Wine Shops and Beer Shops in Neighborhood Business.