

# CAROLINA BEACH

Planning and Zoning Commission

Thursday, March 14, 2024 - 6:00 PM

Council Chambers, 1121 N. Lake Park Boulevard, Carolina Beach, NC



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## MINUTES

### CALL TO ORDER

Chairman Rouse called the meeting to order at 6:00 PM.

### PRESENT

Chairman Wayne Rouse

Vice Chairman Jeff Hogan

Commissioner Melanie Boswell

Commissioner Ethan Crouch

Commissioner Todd Piper

Commissioner Bill Carew

Commissioner Lynn Conto

### ALSO PRESENT

Planning Director Jeremy Hardison

Senior Planner Gloria Abbotts

Planner Haley Moccia

### APPROVAL OF MINUTES

1. February 8, 2024 – P&Z Minutes

**ACTION:** Motion to approve the minutes

Motion made by Chairman Rouse, seconded by Vice Chairman Hogan

Voting Yea: Chairman Rouse, Vice Chairman Hogan, Commissioner Boswell, Commissioner Crouch, Commissioner Piper, Commissioner Carew, Commissioner Conto

*Motion passed unanimously*

### STAFF REPORT ON RECENT DEVELOPMENTS

Ms. Abbotts reported the following statistics for the past month:

#### Permitting

- 28 permits (renovation, repair, grading, additions, fences)
- 10 residential new construction
- 2 certificates of occupancy

#### Code Enforcement

- 11 complaints received

- 5 resolved

#### Demos

- 1418 Mackerel Lane
- 403 Ocean Boulevard (shed)
- 905 Sixth Street
- 300 North Lake Park Boulevard (interior)
- 1008 Carolina Beach Avenue South

#### New Businesses

- Fentoni's – 1018 North Lake Park Boulevard, Suite 101
- Fentoni's Slice Shop – 11 Boardwalk, Suite 130

#### Town Council and Other Updates

- Church parking text amendment – approved by Council
- Conditional Zoning (CZ) update for 205 Charlotte Avenue: Kindred – received certificate of compliance this week
- CZ update for 810 Saint Joseph Street: Putter Pub – received certificate of compliance this week
- Upcoming CZ request for Seaside Chapel School – heard at Technical Review Committee (TRC) will have to do traffic impact analysis, which may take a while

#### **PUBLIC COMMENT**

None

#### **DISCUSSION ITEMS**

2. Zoning Map Amendment to Consider a Request to Rezone 204 Harper Avenue from Mixed Use (MX) to Central Business District (CBD)  
Applicant: STLNC LLC

Chairman Rouse asked staff for guidance on whether he should recuse himself from this matter. He said he represented the applicant in the acquisition of the property up for rezoning consideration, but the transaction is complete and he has no financial interest in the property.

Mr. Hardison said the statute says it would be deemed a conflict of interest if there is the potential for financial impact. Chairman Rouse said he has no financial interest in the outcome.

Applicant STLNC LLC has submitted a petition to consider rezoning 204 Harper Avenue from Mixed Use (MX) to Central Business District (CBD) zoning. The neighboring property to the east is under the same ownership, formerly Welcome Inn (205, 207, and 209 North Lake Park Boulevard), and is currently in the CBD. The applicant has requested the rezoning to have consistent zoning and land uses for the entire property so all business-related decisions and operations fall under the same zoning guidelines.

For consistency and the purpose of redevelopment, it is best practice for the entirety of a property to be within the same zoning district. Redevelopment of the property would require the recombination of the property. One of the standards for creating zoning districts is to follow plotted lot lines. Guidance

for the interpretation of zoning district boundaries comes from Section 40-45 of the zoning ordinance. Previously, 204 Harper Avenue had a single-family structure, and the adjacent common ownership parcels were formerly Welcome Inn. The adjacent use to the west is single-family, to the north is a multi-family structure, and across the street to the south is a hotel.

### HISTORY

The property has been in the same ownership for over 50 years. The single-family house and Welcome Inn were built in the 1930s. In 2023, the structures were demolished after a new hotel was approved for the site in 2022. The hotel has not started construction, and the property was recently purchased. The permit for the hotel authorization will expire September 14, 2024.

The 1984 zoning ordinance and zoning map had both properties, 204 Harper Avenue and the property where Welcome Inn was, in the B-1: Central District. In 2000, 204 Harper Avenue was rezoned to MX, and the Welcome Inn property was rezoned to CBD.

### DISTRICT PURPOSE AND PERMITTED USES

MX was established to provide for an area of transitional land uses between intensified use districts or elements and residential districts. This district includes an area of mixed land uses between the intensive, commercial, central part of Town and the quiet residential areas and may also be employed as a transitional area between busy major thoroughfares and quieter residential areas. Permitted uses include a mixture of single-family homes, 2-family dwellings, and small-scale office and institutional uses. Small hotels and motels and multi-family housing of modest density and size may also be permitted in this district.

CBD was established to accommodate, protect, rehabilitate, and maintain the traditional CBD and Boardwalk area of the Town. This area accommodates a wide variety of pedestrian-oriented commercial and service activities, including retail, business, office, professional financial, entertainment, and tourism. The regulations of this district are intended to encourage the use of the land for concentrated development of permitted uses while maintaining a substantial relationship between land uses and the capacity of the Town's infrastructure.

MX does allow for certain business uses such as standard restaurants and eateries, general retail, offices, and mixed-use commercial/residential but does not allow for more intense uses such as bars and taverns or commercial parking lots. MX is considered residential, and residents must abide by the standards of the noise ordinance for residential areas of a daytime level of 65dB(A) between the hours of 7:00 AM and 11:00 PM and the nighttime level of 55dB between the hours of 11:00 PM and 7:00 AM. CBD allows for a 75dB(A) daytime level between 7:00 AM and 11:00 PM and 65 dB(A) between the hours of 11:00 PM and 7:00 AM, except on Friday and Saturday the daytime levels shall remain in effect until midnight.

### DIMENSIONAL STANDARDS

MX requires setbacks and has a maximum lot coverage in all areas throughout the district. Much of the CBD has no setback or lot coverage requirements. Although the dimensional standards for both districts are different, a property in CBD must have a rear and side setback that is the same as the

residential zoning district it abuts. Landscaping standards are also required if a CBD parcel is adjacent to residential to mitigate the transition between the business and residential use.

**LAND USE PLAN**

The property is shown on the Future Land Use Map as Mixed Use Commercial and is described as a higher-density area with a mix of uses, within the district and individual buildings. Residential uses are allowed only on upper stories; ground floor is encouraged to be active. 4- to 5-story structures are possible, unless a property is adjacent to low- or medium-density residential with attractive street facades. NCGS 160D states that if a zoning map amendment is adopted and the action was deemed inconsistent with the adopted plan, the zoning amendment has the effect of also amending any Future Land Use Map in the approved plan, and no additional request or application for a plan amendment is required.

Staff recommends approval of the rezoning as proposed.

Mr. Hardison reviewed the history of the property, surrounding uses, and permitted uses in each zone.

Commissioner Carew asked if staff has verified that there is an easement recorded at 204 Harper Avenue on the west side. Mr. Hardison said when the hotel came up for approval, it was in the deed.

**ACTION:** Motion to open the public hearing

Motion made by Chairman Rouse, seconded by Vice Chairman Hogan

Voting Yea: Chairman Rouse, Vice Chairman Hogan, Commissioner Boswell, Commissioner Crouch, Commissioner Piper, Commissioner Carew, Commissioner Conto

*Motion passed unanimously*

Attorney Ned Barnes of 814 Carolina Beach Avenue North, who represents the applicant, said the rezoning would bring the property into conformity with adjacent lots that are zoned CBD, offering compatibility with the surrounding area. He said the rezoning would not impact public services and safety.

Chairman Rouse asked if anyone from the public wanted to speak on the matter.

JoDan Garza of 513 Atlanta Avenue said the applicant is not present to discuss plans for the property, which says a lot to him as a resident.

No one else requested to speak.

**ACTION:** Motion to close the public hearing

Motion made by Chairman Rouse, seconded by Vice Chairman Hogan

Voting Yea: Chairman Rouse, Vice Chairman Hogan, Commissioner Boswell, Commissioner Crouch, Commissioner Piper, Commissioner Carew, Commissioner Conto

*Motion passed unanimously*

Commissioner Conto said she is happy someone purchased the parcels together, but parking is always a concern when converting something to CBD.

Commissioner Crouch said he has concerns about expanding the CBD westward and thinks this was designated MX on the Future Land Use Plan Map for a reason. He worries that the proposed rezoning would allow for a significantly larger development with higher density to go into that space.

Commissioner Boswell said she agrees with what others have said but wants to hear how remaining Commissioners feel.

Commissioner Carew said while he understands the concerns, he leans toward granting requests to those who are trying to undertake redevelopment projects in the CBD. He said the easement along the residential property at 206 Harper Avenue serves as a buffer.

Commissioner Piper said his biggest concern is the adjacent residential property owner, but he also noted the easement in place. He said he likes to see redevelopment and hopes the applicant would build something nice with parking in the rear.

Vice Chairman Hogan said he likes the fact that you can access the property from Harper Avenue, which will hopefully reduce congestion on Lake Park Boulevard.

Chairman Rouse said he thinks the proposed rezoning would allow the applicant to do something nice and beneficial for the Town.

Commissioner Boswell asked if the rezoning would affect the height limit. Mr. Hardison said no, the applicant would have to come back with a CZ request to go higher than 50 feet, and this would require the Commission's review and Council's approval. Chairman Rouse noted that the previously approved plans for a hotel would allow height over 50 feet, if the applicant decided to move forward with this.

Commissioner Boswell asked if there are any plans for development on this property. Mr. Hardison said nothing has been submitted, and the owner has not expressed any development plans to staff.

Mr. Barnes said title work on the property indicates the easement is a matter of record and remains with the property regardless of what's done. He said the applicant considers this a unique situation, and the ability to use Harper Avenue to access the property will help eliminate some of the traffic flow.

**ACTION:** Motion for denial based on inconsistencies with the goals and objectives of the adopted Land Use Plan and/or other long-range planning documents and the potential impacts on the surrounding areas

Motion made by Commissioner Crouch

*The motion did not receive a second and therefore failed*

**ACTION:** Motion for approval; whereas in accordance with the provisions of the NCGS, the Commission does hereby find and determine that the adoption of the zoning map amendment for 204 Harper Avenue is consistent with the goals and objectives of the adopted Land Use Plan and other long-range

plans and the potential impacts on the surrounding area are mitigated by the approved conditions  
Motion made by Commissioner Piper, seconded by Commissioner Boswell

Voting Yea: Chairman Rouse, Vice Chairman Hogan, Commissioner Boswell, Commissioner Piper,  
Commissioner Carew, Commissioner Conto

Voting Nay: Commissioner Crouch

*Motion passed 6-1*

3. Text Amendments to amend Chapter 40:

- Section 40-73 Dimensional standards for the various zoning districts
- Section 40-74 Dimensional standards for lots and principal structures
- Section 40-426 Reconstruction, maintenance, full or partial demolition, and renovation of nonconforming situations

Applicant: North Pier Holdings LLC

Applicant North Pier Holdings LLC is applying for text amendments to exceed lot coverage for the addition of a riser room for fire suppression and to allow an elevator to exceed the 50-foot height limitation for three zoning districts.

The applicant owns 1800 Canal Drive, which is located within the R-1 zoning district. The condominium structures located on this lot were constructed beginning in 1984 and 1985 and consist of 2 cosmetically attached but structurally independent three-level piling-supported wood-frame buildings. Combined, the structures contained 42 individual residential units. To date, a building permit has been issued for the renovation and repair of the buildings and to add 4 penthouse units to the top of building 2, the reconstruction of breezeways, and the relocation of elevators and staircases. The proposed number of units overall decreased from 42 units to 40 units.

The reason for the proposed text amendments is due to complications during the construction process and the existing non-conforming status of the building. The applicant added the 4th story onto one of the buildings, which increases the structure height from the existing 37 feet to right at 50 feet. Due to the negligence of the professional architect, it was realized after the penthouses had been added that the elevator shaft would need to exceed 50 feet to be able to service the 4th-floor penthouses. The addition of a riser room was needed to be able to install the required sprinkler system. The applicant was given the option by staff to reconfigure any demoed square footage and reallocate the demoed square footage into other additions as long as they did not exceed the original existing lot coverage.

PROPOSAL

**Height exception text amendments:** The applicant proposes changing this section to allow the height of a structure to exceed the maximum height allowed by the zoning district for multi-family structures, if they have more than 10 units, in the R-1, MF, and T-1 zoning districts. The height allowance would pertain specifically to the installation or expansion of an elevator.

**Lot coverage text amendments:** The text amendments would allow exceptions to exceed the lot coverage maximum for all zoning districts. This exception to lot coverage is specifically for multi-family structures with more than 10 units to accommodate riser rooms for fire suppression equipment. The

size of the riser room allowed would be determined by the manufacturer spec sheets for the riser equipment and must be certified by a professional engineer.

### HISTORICAL CONSIDERATIONS

Historically, the Town prior to 2002 allowed a building height of 35 feet with an additional 10 feet for roof pitch. In 2002, Council changed the allowable building height to 50 feet in some zoning districts for uniformity and ease of ordinance implementation by staff. Council agreed that anything above 50 feet will require sprinkler systems and must be reviewed and approved under a Conditional Use Permit.

The lot coverage limitations for the various zoning districts have been unyielding ordinances, established well before the 2000s. The lot coverage limitations vary depending on the zoning district and can range from 40% in most zoning districts (residential and some commercial) up to 60% for the Highway Business (HB) zoning district and 100% for the CBD.

### LAND USE PLAN

All proposed text amendments are not in general conformity with the Town's 2020 Land Use Plan. The building height text amendment proposal is in opposition of the Redevelopment section of the 2020 Land Use Plan: "Increased building heights (especially in or near the downtown area) may conflict with the character of existing areas." Additionally, in the Family Friendly Community section of the Land Use Plan, lower structure heights are viewed as a contributing factor to a family-friendly community.

The lot coverage text amendments are also in opposition to the Community Goals section of the Land Use Plan. Goal #4 states a desire of the community to reduce overall non-conformities in the Town but also respect existing uses and entitlements and the rebuilding of structures. The lot coverage text amendments would allow all buildings, including non-conforming buildings, to exceed their current lot coverage for the addition of a riser room. In this specific situation, the building directly impacted by the approval of the lot coverage text amendments is considered non-conforming. The zoning district in which the parcel is located allows a maximum lot coverage of 40%. The current lot has lot coverage of 47%. Proposing expansions to lot coverage for an already non-conforming structure would not adhere to the intent of Goal #4 in the Land Use Plan.

Ms. Moccia presented the details, including staff concerns:

#### Staff concerns regarding changes to building height

1. Directly contradicts the historical standard for building height being limited to 50 feet, with exception to some commercial zoning districts.
2. The use of "more than 10 units" as a limiting factor is an arbitrary number. There are 42 buildings consisting of more than 10 units, and there are a total of 81 multi-family buildings consisting of anywhere from 3-10 units.
3. Anything over 50 feet in the current zoning ordinance is required to be approved by CZ. The ordinance they propose would allow for the approval of an elevator to exceed 50 feet without CZ approval.

#### Staff concerns regarding changes to lot coverage

1. The current zoning ordinance is very strict with maximum lot coverage and does not allow any expansions. The applicant's text amendment would allow staff the power to permit this lot coverage exception by right.
2. It does not address the upper-floor usage of the space the riser room below occupies.
3. Staff understands the applicant would like to include limitations on which structures can take advantage of this text amendment, but using "more than 10 units" as a limiting factor is an arbitrary number.

Staff concerns regarding Section 40-426 Reconstruction, maintenance, full or partial demolition, and renovation of non-conforming situations

1. There is no need for this text amendment because the lot coverage allowance was added to the Section 40-73 text amendment.

Ms. Moccia said staff recommends denial of the proposed amendments, but if the Board is considering changing the ordinance then staff has provided some recommended amendments.

Commissioner Conto asked how the need for additional building height transpired. Ms. Moccia said the applicant added penthouses and realized they needed a higher elevator. Mr. Hardison said a 50-foot elevator shaft was permitted by the County, but the applicant now intends to revise those plans for a higher elevator shaft.

Commissioner Piper asked who required sprinklers for the project. Mr. Hardison said the applicant added a 4th floor, which caused the sprinkler system to be added.

Commissioner Carew asked if the developer owns all the units rather than individual unit owners. Ms. Moccia said these were originally timeshare condos, but all tenants are out and the developer owns all units. Commissioner Carew said in theory, the riser room could be incorporated somewhere in the building, even if it does compromise a small number of units, because this would not disadvantage anyone other than the developer.

Commissioner Crouch said the proposed height limit change could affect a significant number of buildings now and in the future.

Commissioner Boswell asked why this didn't come through as a CZ request rather than so many text amendments. Ms. Moccia said CZ isn't applicable to this zoning district, so a text amendment would have to occur. Commissioner Boswell said when you change amendments, you're changing a lot more than just that property.

**ACTION:** Motion to open the public hearing

Motion made by Chairman Rouse, seconded by Vice Chairman Hogan

Voting Yea: Chairman Rouse, Vice Chairman Hogan, Commissioner Boswell, Commissioner Crouch, Commissioner Piper, Commissioner Carew, Commissioner Conto

*Motion passed unanimously*



Attorney Corrie Lee, who represents the applicant, said the requests are not just for this particular situation but also to ensure all similarly positioned developers who seek to revitalize the Town are able to provide safe and accessible structures. She said the proposed text amendments are united in purpose and further the guiding principles as laid out in the comprehensive Land Use Plan and will further good development, provide safety, and ensure accessibility.

No one else requested to speak.

Commissioner Carew asked if there were other options available for the elevator shaft that could bring it under 55 feet. Ms. Lee said a professional engineer provided the applicant with a certificate indicating the requested height was the minimum that could be allowed to satisfactorily service every level of the building. Commissioner Carew asked if it's the clearance for equipment above that is creating the issue. Ms. Lee said yes.

**ACTION:** Motion to close the public hearing

Motion made by Chairman Rouse, seconded by Vice Chairman Hogan

Voting Yea: Chairman Rouse, Vice Chairman Hogan, Commissioner Boswell, Commissioner Crouch, Commissioner Piper, Commissioner Carew, Commissioner Conto

*Motion passed unanimously*

Commissioner Carew said he thinks this situation is trying to fix a problem by opening up the zoning code to things the Town doesn't necessarily want in other places.

Commissioner Piper said he understands the request and doesn't have a problem with the elevator, but he has an issue with the text amendment because it could be opening up a can of worms they don't even understand.

Commissioner Conto said she is not a big fan of begging for forgiveness, and work on the Unified Development Ordinance (UDO) indicates the Town is trying to minimize height within neighborhoods. She said unintended consequences could arise if the text amendments are approved.

Commissioner Crouch said he agrees with the other comments and concerns because text amendments aren't just about one parcel but about 42 existing buildings and others in perpetuity. He said he also is taking staff's recommendation to oppose the text amendments into account and the fact that they don't conform with the Future Land Use Plan.

Commissioner Boswell said she does not support going up in height unless there is a reason. She said the Town has been working for years on the UDO, and she is not in favor of adding text amendments that will affect the look of the Town. Commissioner Boswell said she thinks the developer could have figured out the riser room and elevator situations before getting started.

Vice Chairman Hogan said the Town has spent a lot of time trying to figure out how to reduce instead of increase height, and it's been an ongoing battle. He said the developer chose to add the penthouses, and to him that's not a good enough reason to change the height limit.

Chairman Rouse praised the applicant for investing money to improve this property, but he said he has concerns about turning the text amendments loose to new construction and all the other existing properties. He said he hopes there are alternate means to find a resolution and continue this project.

**ACTION:** Motion of denial to amend Building Height Section 40-73 Dimensional standards for the various zoning districts and Section 40-74 Dimensional standards for lots and principal structures and Lot Coverage Section 40-73 Dimensional standards for the various zoning districts and Section 40-426 Reconstruction, maintenance, full or partial demolition, and renovation of non-conforming situations Motion made by Vice Chairman Hogan, seconded by Commissioner Boswell

Voting Yea: Chairman Rouse, Vice Chairman Hogan, Commissioner Boswell, Commissioner Crouch, Commissioner Piper, Commissioner Carew, Commissioner Conto

*Motion passed unanimously*

4. Text Amendment to Chapter 40 Article III Zoning District Regulations, Article V Off-Street Parking and Loading Requirements; Parking, and Article IX Development Standards for Particular Uses to Amend Standards for Wine and Beer Shops  
Applicant: Neapolitan Enterprises Inc.

Applicant Neapolitan Enterprises Inc. is proposing a text amendment to allow for wine shops and beer shops with on-premise alcohol sales as a use in the Marina Business (MB) district by right. The wine and beer shop on-premise use was adopted in April 2023 after an amendment was submitted by a private business. Prior to that, the ordinance only allowed for wine and beer shops with retail and off-premise sales of alcohol.

### PROPOSAL

Neapolitan is located in MB. The business currently has an off-premise wine and malt beverage permit. The applicant is seeking an on-premise wine and malt beverage permit at this location. Neapolitan 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 or bar in MB. Wine and beer shops are currently not allowed in MB.

### WINE SHOP

The applicant proposes to add wine shop (on-premise) to the table of allowed uses. The current ordinance allows for wine shops (on-premise) in the CBD, HB, and Neighborhood Business (NB) zoning districts. The Alcoholic Beverage Control (ABC) Commission created a new allowance 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 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) are proposed to be permitted by right in MB.

### BEER SHOP

The applicant would also like the ability to provide malt beverages on the premises in MB. Beer shops would need to obtain an on-premise malt beverage permit to allow for the retail sale of malt beverages for consumption on and off the premises. ABC regulations do not have the same limitations for a beer shop as a wine shop, and a beer shop would be allowed to offer malt beverages on the premises without any limitation or percentages to off-premise sales. The proposal is for beer shops to be permitted by right in MB. To reduce the impacts from the use on adjoining properties, restrictions were adopted in NB for any outdoor or indoor areas to be located three times the minimum setback yard from an adjacent property line or residential use. The applicant proposes to amend the standard to state any indoor or outdoor areas shall be located three times the minimum setback yard from any residential district.

### PARKING

When the amendment was adopted in April 2023, wine and beer shops were categorized under eating and drinking establishments. Under this category, Neapolitan would be a change of use from retail to an eating and drinking establishment. This is important because the change of use would trigger a different parking standard. Parking for retail is calculated at 1 parking space per 200 square feet of retail space. Parking for eating and drinking establishments is calculated at 1 space per 110 square feet.

Neapolitan was issued a permit as a retail establishment in 2022. This is a grandfathered use, as the previous use of the property, The Checkered Church, operated as a retail establishment since the mid-1990s. Because this would be considered a change of use, the applicant is proposing to amend the parking calculation to specifically state that wine and beer shops are based on the retail parking calculation while also amending the use table to be consistent.

### STAFF CONCERNS

Staff has met with the applicant on what sections of the ordinance would need to be amended to accomplish the goal of being able to have on-premise wine and beer at their location. Also, staff has discussed with the applicant the following concerns:

- Wine shops are treated differently by the State by limiting on-premise consumption, but beer shops do not have any limitations from ABC regulations or audits. The proposal is for wine and beer shops with on-premise consumption to be permitted by right. By expanding the allowance to other areas of Town, it may undermine bar regulations, as they need CZ and have larger setback standards from residential districts (200 feet).
- Wine shops by ABC regulations are treated as accessory to off-premise retail, but beer shops do not have any ABC regulations for on-premise consumption and the impacts of parking could be similar to that of bars.
- Currently if you are approved as a bar, you can be permitted to have mixed beverages, malt beverages, and wine on the premises. The allowance would expand the way the Town treats alcohol permits, with establishments being permitted by right for wine and beer. If an establishment would like to offer mixed beverages, then it would still need to be permitted as a bar.

### LAND USE PLAN

The Land Use Plan does not specifically address wine and beer shops, but MB is classified as Marina Commercial/Industrial Mixed Use. The desired uses are water-based commercial, service, and light

industrial uses, and sometimes water-related businesses (such as restaurants). These businesses rely on water access, so structures are purpose-built and traditional maritime activities are common.

Mr. Hardison presented the details.

Crouch asked Mr. Hardison to clarify staff's recommendation. Mr. Hardison said staff is comfortable with the wine shop amendments because of the existing ABC regulations, but there are some concerns for beer shops regarding parking and expanding allowances for those, especially by right. He said if the Commission was amenable to allowing beer shops, staff would recommend doing so by CZ.

**ACTION:** Motion to open the public hearing

Motion made by Chairman Rouse, seconded by Vice Chairman Hogan

Voting Yea: Chairman Rouse, Vice Chairman Hogan, Commissioner Boswell, Commissioner Crouch, Commissioner Piper, Commissioner Carew, Commissioner Conto

*Motion passed unanimously*

Paul Tully of 411 Carolina Beach Avenue North said he and his wife Erika own Neapolitan, which has been in business for about a year and is the largest retail wine shop on the island. He said they are seeking the changes primarily because their customers want to be able to sit down and have a glass of wine at the shop, but another driver is some customers prefer beer over wine and would also like to also have a drink when they visit. Mr. Tully said they have no intention of installing beer taps, and they are seeking a less intensive use than a bar.

Mr. Tully said there is significant commercial activity surrounding Neapolitan and more to come when Proximity is complete. He is proposing that the Town take the total outline area, or perimeter of any parcel, and say at least 90% has to be adjacent to commercial activity to create a buffer similar to what was done in NB.

No one else requested to speak.

Commissioner Crouch said he is cautious about making text amendments and asked Mr. Tully why he is hesitant to go through the CZ process. Mr. Tully said they are just seeking to put themselves in the same position as what was done in NB, which is a retail business approved as a beer and wine shop. He said they see their district as a less intensive neighborhood residential use and are trying to take a path that is less onerous on the district. Mr. Tully said at this point, they would not be open to going through the CZ process because it wasn't required of another business in a more highly intense residential district, and he thinks it would impose an undue burden that another business owner didn't have to bear.

Commissioner Conto said Neapolitan getting a bar permit would be an easier request than asking the Town to open up MB to serve alcohol by right. Mr. Tully said NB is much more residential, and the use he is seeking is allowed by text amendment there.

Chairman Rouse asked about parking. Mr. Tully said the previous text amendment was silent on parking, so they are asking that this proposed text amendment remain silent on parking. He said they are fine with formalizing the current retail requirement of 1 parking space per 200 square feet.

Commissioner Piper asked Mr. Tully how many parking spaces they have. He said depending on how people park, they have between 12 and 15 spaces for cars on the property. Commissioner Piper asked how many of the parking spaces would not require backing into traffic. Mr. Tully said none and added that people have been pulling into and backing out of these spaces for about 6 decades. Commissioner Piper said he understands the point but worries about the precedent this could set.

**ACTION:** Motion to close the public hearing

Motion made by Chairman Rouse, seconded by Commissioner Boswell

Voting Yea: Chairman Rouse, Vice Chairman Hogan, Commissioner Boswell, Commissioner Crouch, Commissioner Piper, Commissioner Carew, Commissioner Conto

*Motion passed unanimously*

Commissioner Piper said while the Town adopted something in NB that is similar to what Neapolitan is seeking, that business has a lot of parking and that is his primary concern here.

Commissioner Crouch said he has a strong hesitation to make text amendments for particular parcels and particular uses because he worries about unintended consequences or possibly even intended consequences in this case.

Commissioner Boswell said she would be more prone to accepting a CZ request. She cited parking as a major concern and said approving these text amendments would open up the possibility of changes for a huge part of the community. Commissioner Boswell said when the owners purchased the property, they knew what the conditions were, what they could and couldn't operate, and what would have to happen.

Commissioner Conto said this proposal is like a round peg looking for a square hole. She said opening up beer and wine shops by right in MB would be a travesty.

Commissioner Carew said the request is for something that can't happen due to required parking, so he's confused as to why this is even being considered. He said he's opposed to allowing this as anything other than CZ in MB.

Chairman Rouse said he agrees that allowing this would open up the barn door. He said MB has commercial intent, but there are a lot of residential structures there, and this could lead to intended consequences very quickly.

Vice Chairman Hogan said he thinks the applicant has done a good job and the building looks great, but he is not a big fan of text amendments.

**ACTION:** Motion that we deny based on inconsistencies with the goals and objectives of the adopted Land Use Plan and all other long-range planning documents

Motion made by Commissioner Boswell, seconded by Vice Chairman Hogan  
Voting Yea: Chairman Rouse, Vice Chairman Hogan, Commissioner Boswell, Commissioner Crouch,  
Commissioner Piper, Commissioner Carew, Commissioner Conto  
*Motion passed unanimously*

**NON-AGENDA ITEMS**

Vice Chairman Hogan asked when the next UDO meeting is. Chairman Rouse said it is on March 20 at 4:00 PM. Commissioner Conto asked when the first clean copy of the UDO draft will be available. Chairman Rouse said it should be ready by May or June with plans to get it to Council in July or August.

**ADJOURNMENT**

Chairman Rouse adjourned the meeting at 8:40 PM.