



DEPARTMENT FOR COMMUNITY SUSTAINABILITY
Planning Zoning Historic Preservation Division
1900 2ND Avenue North
Lake Worth Beach, FL 33461
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DATE: August 26, 2020

TO: Members of the Planning and Zoning Board

FROM: Alexis Rosenberg, Senior Community Planner

THRU: William Waters, AIA, NCARB, LEED, AP BD+C, ID SEED, Director for Community Sustainability

MEETING: September 2, 2020

SUBJECT: **PZB Project Number 20-00500010 and PZB Project Number 20-00600001**: Request for a conditional use permit to allow a specialty distillery/bar at 604 Lake Avenue, pursuant to the City of Lake Worth Beach Land Development Regulations (LDR's) Section 23.2-29, Conditional use permits, and a request for two alcohol beverage distance waivers to allow the onsite consumption and the packaged sales of alcoholic beverages at the subject property. The subject property is located in the Downtown (DT) zoning district. The subject property PCN is 38-43-44-21-15-509-0100.

PROJECT DESCRIPTION:

The Applicant, Daniel De Liege of Deli Brands on behalf of David Kislin of JEL Development is requesting approval of a conditional use permit and an alcohol beverage distance waiver to allow the use of a specialty distillery/bar that will sell alcohol for onsite consumption as well as packaged sales. The site, 604 Lake Avenue, is located in the north 600 Block of Lake Avenue, on the northwest corner of Lake Avenue and North L Street. The 8,500 square foot site is comprised of a two-story, +/-9,029 square foot building.

This subject application is for a conditional use permit (CUP) for a specialty distillery/bar (Pages 7 - 13) and two (2) alcohol waivers (Page 13). The alcohol waiver for on-site consumption requires Planning & Zoning Board approval, while the alcohol waiver for package sales requires review by the City Commission. The Applicant also has concurrent administrative applications (staff review) in process for an administrative use permit (AUP) to operate a +/-6,274 square foot restaurant, and a minor site plan amendment for façade renovations to the building. The +/-9,029 square foot building is intended to be utilized by Dr. Spirits (CUP – Specialty Distillery/Bar) and Doc Holliday's BBQ (AUP - Restaurant). The project is split into two phases:

- Phase I – Remodel +/- 2,647 square feet of the first floor of the building into Dr. Spirits, a specialty distillery with a tasting room.
- Phase II – Remodel the remaining +/- 6,274 square feet of the first and second floor of the building into Doc Holliday's BBQ, a restaurant with a bar and accessory office.

There is currently no parking on the site. However, the Applicant has entered into a parking agreement with the parking lot to the north – 601, 605, and 607 Lucerne Avenue, which is under the same ownership as the subject

site. The parking agreement would allow Dr. Spirits to utilize four parking spaces from the 28-space parking lot. Dr. Spirits will be allowed to use the four parking spaces during Phase I of project while the restaurant component is not open. Once the restaurant component is open in Phase II, both Dr. Spirits and the restaurant, Doc Holliday's BBQ, will be allowed to utilize all 28 parking spaces on 601 Lucerne Avenue, 605 Lucerne Avenue, and 607 Lucerne Avenue. Based on the Applicant's justification statement, Dr. Spirits Co. is a world-class craft distillery, tasting room, and retail outlet that produces Dr. Spirits Handcrafted Vodka using a copper pot still. The tasting room is designed to provide a peak into the distilling process with tours behind glass enclosures that allow patrons to see the process. Small complimentary samples of vodka will be available for adult visitors, and the business will also have a retail area selling branded merchandise and packaged sales of their alcohol product.

Staff Recommendation:

Staff has reviewed the documentation and materials provided, applying the applicable guidelines and standards found in the City of Lake Worth Zoning Code. The proposed request meets the criteria of the Comprehensive Plan (page 4), LDRs (pages 4 - 7), Conditional Use Criteria (pages 7 - 13), and Alcohol Waiver Criteria (page 13). Therefore, staff is recommending approval with conditions outlined in the conclusion on page 14. If the subject application is approved, staff will review the concurrent site plan application for consistency with any conditions of approval related to the conditional use.

PROPERTY DESCRIPTION:

Applicant	Daniel De Liege of Deli Brands on behalf of David Kislin of JEL Development
Owner	David Kislin of JEL Development
General Location	North 600 Block of Lake Avenue, on the northwest corner of Lake Avenue and North L Street
Existing PCN Numbers	38-43-44-21-15-509-0100
Existing Land Use	+/-9,029 square foot building
Zoning	Downtown (DT)
Future Land Use Designation	Downtown Mixed Use (DMU)

LOCATION MAP**BACKGROUND:**

The subject site is comprised of a two-story, +/-9,029 square foot building. As stated, the site currently has no parking. However, the Applicant has entered into a parking agreement with the property owner of the parking lot to the north, allowing Dr. Spirits to utilize four parking spaces during Phase I of the project while the restaurant component is not open. Once the restaurant component is open in Phase II, both Dr. Spirits and the restaurant, Doc Holliday's BBQ, will be allowed to utilize all 28 parking spaces on 601 Lucerne Avenue, 605 Lucerne Avenue, and 607 Lucerne Avenue. Below is a summarized history of 604 Lake Avenue based on Palm Beach Property Appraiser's records and City records:

- 1999 – The +/-9,029 building was constructed at 604 Lake Avenue.
- December 14, 1999 – September 30, 2004 – Rosie's Key West Grill held a business license at 604 Lake Avenue for restaurant/bar and sidewalk café.
- May 2, 2001 – September 30, 2013 – Andy M Custer, PA held a business license at 604 Lake Avenue for a professional office.
- March 18, 2003 – September 30, 2004 – Sal Messina held a business license at 604 Lake Avenue for a mobile ice cream vendor.
- February 13, 2004 – September 30, 2007 - Ray's Key West Grill held a business license at 604 Lake Avenue for a restaurant and sidewalk café.
- August 4, 2004 – September 30, 2008 - The Pier Group/The Lucerne held a business license at 604 Lake Avenue for a professional office.
- September 5, 2006 – September 30, 2010 – Lake Worth Rum Shack held a business license at 604 Lake Avenue for a restaurant and sidewalk café.
- July 10, 2014 – September 30, 2019 – Prestige Realty of the Palm Beaches held a business license at 604 Lake Avenue for a professional/business office.
- August 19, 2020 – There are no active business licenses at this site.

- August 19, 2020 – There are no active code cases for the site.

ANALYSIS:

Public Support/Opposition

Staff has not received any letters of support or opposition.

Consistency with the Comprehensive Plan and Strategic Plan

The subject site has a Future Land Use (FLU) designation of Downtown Mixed Use (DMU). Per Policy 1.1.1.7, the DMU FLU is intended to provide for the establishment and expansion of a broad range of office, retail and commercial uses, including higher intensity commercial, and some residential within the traditional down-town core of the City. Per Goal 1.2.1, the City shall promote the location of high-quality retail, office, and mixed-use projects in the DMU and MU-E designations as the prime retail and commercial areas of the City. The proposed specialty distillery/bar would be the first specialty distillery/bar in the City. Dr. Spirits intends to operate a world-class craft distillery, tasting room and retail outlet that adds to the diversity of uses in the downtown area. Therefore, the proposed distillery/bar is consistent with the intent of the DMU FLUM and consistent with Goal 1.2.1 of the City's Comprehensive Plan.

The City's Strategic Plan focuses on fostering safer neighborhoods, encouraging community pride, building a vibrant and diverse economy, planning for the future, and enhancing the natural, historic, and cultural environment of the City. Pillar III.C states that the City shall encourage tourism by increasing options for visitors to stay and experience in the City. The proposed specialty distillery/bar has the potential to attract tourists and enthusiasts to the City with their craft distillery, tours of the facility, merchandise, and unique copper pots. Allowing the establishment of the specialty distillery/bar will prove consistent with Pillar III.C of the Strategic Plan. Pillar III.A, Pillar III.B, and Pillar III.D are not applicable to this application. Furthermore, Pillar IV.A, Pillar IV.B, Pillar IV.C, Pillar IV.D, and Pillar IV.E encourages the City to achieve economic sustainability, attract investment, influence the supply and expansion of jobs, and ensure facility placement that embraces the future. The proposed specialty distillery/bar is anticipated to attract investment, increase job supply in the City, and help sustain the City's tax base. Therefore, the proposal is consistent with Pillar IV.A, Pillar IV.B, Pillar IV.C, Pillar IV.D, and Pillar IV.E. Pillar IV.F is not applicable to this application.

Based on the analysis above, the proposed specialty distillery/bar is consistent with the goals, objectives, and policies of the City of Lake Worth Beach's Comprehensive Plan and Strategic Plan.

Consistency with the City's Land Development Regulations

Per Section 23.2-29, conditional uses are defined as generally compatible with the other uses permitted in a district, but that require individual review of their location, design, structure, configuration, density and intensity of use, and may require the imposition of pertinent conditions to ensure the appropriateness and compatibility of the use at a particular location and to prevent or minimize potential adverse impacts to the surrounding area. The Department of Community Sustainability is tasked in the Code to review conditional use applications for consistency with the City's LDRs, for compliance with the findings for granting conditional uses (analyzed in the next section) and to provide a recommendation for whether the application should be approved, approved with conditions, or denied.

Staff Analysis: The subject site is located on the northwest corner of North Dixie Highway and 2nd Avenue North. The existing +/-9,029 square foot building was constructed in 1999 and has no parking spaces on site. The Applicant intends to build-out the interior building in two phases. Phase I involves constructing a +/- 2,647 square foot

specialty distillery with a tasting room called Dr. Spirits, and Phase II involves constructing a +/- 6,274 square foot restaurant called Doc Holliday's BBQ. This project is being reviewed concurrently with an administrative use permit to establish the use of a restaurant, and a minor site plan amendment for façade renovations to the building. Staff has found that the building currently does not conform to the current land development regulations, which subjects the site to the nonconformities section, LDR Section 23.5-3, of the land development regulations.

Based on Staff analysis, the site is not consistent with the City's LDRs in the following areas:

- Landscaping
- Minimum front setback
- Minimum side street setback
- Minimum rear setback
- Maximum impermeable surface for all structures
- Maximum impermeable surface coverage

These items are detailed in the paragraphs below. Based on Staff's analysis, the existing nonconformities cannot be easily remedied and the proposed use would not expand any existing non-conformities. Further, the development of the site is consistent with the historic development pattern in the downtown. Therefore, no change is proposed or recommended to bring the structure into conformance with the current code requirements at this time. The proposed application is consistent with the City's LDRs with conditions based on the following data and analysis:

Downtown Zoning District: Per LDR Section 23.3-14(a), the DT zoning district is designed for the commercial core of Lake Worth, primarily along Lake and Lucerne Avenues from Golfview to the Florida East Coast Railroad right-of-way. The DT district is intended to provide the establishment and expansion of a broad range of office and commercial uses, including higher density residential use. The proposed specialty distillery/bar is a commercial use that is anticipated in the DT zoning district and the building has been consistently used as a bar and/or restaurant use since it was constructed. Based on the information provided by the Applicant, Staff does not anticipate negative impacts on surrounding properties and has determined that the application complies with the Conditional Use Criteria outlined in LDR Section 23.2.29 and the Alcohol Waiver Criteria in Chapter 5-5 of the City's Code of Ordinances.

Setbacks: The placement of the existing building exceeds the minimum required front setback of five feet, the minimum west side setback of 10 feet, and the minimum rear setback of 10 feet. Based on the survey provided, the front of the building is 4.9 feet from the front property line and has three covered canvases that encroach into the front setbacks. One of the canvases appear to encroach into the public right of way by 7.7 feet. Additionally, the property is 2.8 feet from the west side property line that is adjacent to a public right of way, John Rice Way, and is 7.9 feet from the rear property line which abuts the parking lot to the north. As noted, the building was constructed in 1999 prior to the current setback requirements and is subject to non-conformities regulations in LDR Section 23.5-3. No change is proposed or recommended to bring the structure into conformance with the current code requirements at this time as the building is a legal non-conforming structure.

Structure/Building Lot Coverage: The existing building on the site exceeds the maximum allowed structure coverage of 60%. Based on the survey provided, the structure appears to cover 81.7% of the lot, which is 21.7% over the maximum structure coverage allowance. As noted, the building was constructed in 1999 prior to the current setback requirements and is subject to non-conformities regulations in LDR Section 23.5-3. Therefore, no change is proposed or recommended to bring the structure into conformance with the current code requirements.

Impermeable Surface Coverage: The site does not conform to the maximum allowed impermeable surface coverage. Based on the survey provided, the lot appears to have a total impermeable surface coverage of 87%, which is 7% over the maximum coverage allowance. However, the site is consistent with the approved development plan which was adopted prior to the current impermeable surface coverage requirements. Further, the impermeable surface coverage non-conformity is not easily remedied without substantial redevelopment of the site. Therefore, at this time, no change is proposed or recommended to reduce the existing impermeable surface area.

Parking: There is currently no parking on the site. However, per LDR Section 23.4-10(f)(2)(A), additional parking is not required for a change of use and occupancy or the remodeling of existing buildings which do not increase floor area or number of overall existing dwelling units. Therefore, no additional parking is required for the proposed specialty distillery/bar use. If this were a newly constructed project, the parking breakdown would be as follows:

- Specialty Distillery, 2,674 square feet – 2.7 parking spaces required
- Restaurant, 6,080 square feet – 40.5 parking spaces required
- Office, 194 square feet – 0.5 parking spaces required
 - Minus the 25% parking reduction for a mixed-use project (LDR Section 23.4-10(f)(1)(B))
- Total parking spaces – 33 parking spaces

In order to provide additional parking to guests, the Applicant has entered into a parking agreement with the property owner of 601, 605, and 607 Lucerne Avenue, allowing Dr. Spirits to utilize four parking spaces from the 28-space parking lot during Phase I of project while the restaurant component is not open. Once the restaurant component is open in Phase II, both Dr. Spirits and the restaurant, Doc Holliday's BBQ, will be allowed to utilize all 28 parking spaces on 601 Lucerne Avenue, 605 Lucerne Avenue, and 607 Lucerne Avenue. The parking agreement is affective for the entire duration of Dr. Spirits and Doc Holliday's BBQ's lease at 604 Lake Avenue.

Landscaping: The site's existing landscape does not comply with the City's Landscape Code requirements. However, because the building takes up a majority of the site, there is not enough room on the site to plant landscaping that will survive long term. Therefore, no change is proposed or recommended to bring the site into conformance with the current landscape code requirements at this time.

Signage: All signage from previous businesses at this location have been removed from the building. Staff is currently reviewing the signage plan for the project which is part of the minor site plan amendment application. The Applicant will be required to permit all new signage in accordance with the regulations outlined in LDR Section 23.5-1, Signs.

Refuse: The property has an existing dumpster located at the northeast corner of the property. The dumpster enclosure gate does not meet current code screening requirements and the condition of the gate has deteriorated. Therefore, a condition of approval has been crafted to require the replacement of the dumpster enclosure gate with an opaque material such as a wood gate or PVC gate.

Section 23.2-29(d): General findings relating to harmony with LDRs and protection of public interest

The land development regulations require all conditional uses to be analyzed for consistency with Section 23.2-29(d). Staff has reviewed the application against this section and has determined that the proposed application is consistent with the following general findings relating to harmony with the LDRs and protection of public interest:

1. The conditional use exactly as proposed at the location where proposed will be in harmony with the uses which, under these LDRs and the future land use element, are most likely to occur in the immediate area where located.

Staff Analysis: The site contains a zoning designation of DT. The proposed use is consistent with other types of commercial uses in the commercial core and is an anticipated use within the DT zoning district. Therefore, the proposed specialty distillery/bar is found to be compatible and harmonious with the existing and anticipated surrounding uses. **Meets Criterion.**

2. The conditional use exactly as proposed at the location where proposed will be in harmony with existing uses in the immediate area where located.

Staff Analysis: The existing uses in the surrounding area are as follows:

Direction	Future Land Use	Zoning District	Current Use
North (adjacent)	Downtown Mixed Use	Downtown	Privately-Owned Parking Lot
South (across Lake Ave)	Downtown Mixed Use	Downtown	Retail/Personal Service Shops
East (adjacent)	Downtown Mixed Use	Downtown	Retail Shop
West (adjacent)	Downtown Mixed Use	Downtown	John Rice Way (City ROW)

To the north of the subject site is a privately-owned parking lot. The owner of the parking lot, David Kislin of JEL Development is the same owner of the subject site, 604 Lake Avenue. To the south of the site, across from Lake Avenue, are a mix of retail and personal service businesses. To the east is a retail shop and to the west is City-owned right of way named “John Rice Way.” Staff finds that the use of a specialty distillery/bar is in harmony with the existing uses in the immediate area. **Meets Criterion.**

3. The conditional use exactly as proposed will not result in substantially less public benefit or greater harm than would result from use of the Property for some use permitted by right or some other conditional use permitted on the Property.

Staff Analysis: The conditional use request will not negatively affect the public benefit or cause greater harm than that of a use permitted by right in the DT zoning district. The use is similar in nature and function to the previous permitted use at this site, the Lake Worth Rum Shack, and is an anticipated commercial/retail use within the DT zoning district. Further, based on the analysis on pages 6 - 13, the use will be utilizing the existing infrastructure on the site and will not generate levels of light, noise, pollution or traffic higher than that of the previous approved use at this site. **Meets Criterion.**

4. The conditional use exactly as proposed will not result in more intensive development in advance of when such development is approved by the future land use element of the comprehensive plan.

Staff Analysis: The conditional use request to allow a specialty distillery/bar in the subject space will not result in a more intensive development in advance of the Future Land Use Element of the City’s Comprehensive Plan. As mentioned, the DMU land use designation is intended to provide for the establishment and expansion of a broad range of office, retail and commercial uses, including higher intensity commercial, and some residential within the

traditional down-town core of the City. The proposed specialty distillery/bar is an anticipated use within the DT zoning district and DMU FLU area and does not propose to increase the size of the building. Therefore, the proposal will not result in a more intensive use than the Comprehensive Plan envisions. **Meets Criterion.**

Section 23.2-29(e): Specific standards for all conditional uses

The land development regulations require all conditional uses to be analyzed for consistency with Section 23.2-29(e). Staff has reviewed the application against this section and has determined that the proposed application is consistent with the following general findings relating to the specific standards for all conditional uses:

1. The proposed conditional use will not generate traffic volumes or movements which will result in a significant adverse impact or reduce the level of service provided on any street to a level lower than would result from a development permitted by right.

Staff Analysis: As stated, the proposal of the specialty distillery/bar will not result in an increase of building size. Based on the Florida Department of Transportation's (FDOT) 8th Edition of the Trip Generation Table and the Traffic Statement from WGI, no increase of daily trips is anticipated with the proposed specialty distillery/bar use. In addition, the subject building has, either in part or as a whole, been used as a bar and/or restaurant since it was constructed. The use is similar in nature and function to the previous bar and restaurant use at this site, which was the Lake Worth Rum Shack. As such, no additional traffic impacts are projected. **Meets Criterion.**

2. The proposed conditional use will not result in a significantly greater amount of through traffic on local streets than would result from a development permitted by right and is appropriately located with respect to collector and arterial streets.

Staff Analysis: This use is not anticipated to significantly affect the volumes of traffic expected on the City's roadway network. The square footage of building has not expanded from its original approved area, +/- 9,029 square feet. Therefore, the traffic generated from the proposed business is consistent with adjacent commercial uses as well as the anticipated uses in this area. **Meets Criterion.**

3. The proposed conditional use will not produce significant air pollution emissions, to a level compatible with that which would result from a development permitted by right.

Staff Analysis: The Applicant states that the specialty distillery/bar is not projected to produce significant levels of air pollution emissions, as the copper pot distilling process does not generate hazardous by-product waste. The Applicant states that the business' byproduct from the distilling process is a high protein, high fiber mixture that will be recycled/disposed of in accordance with local and state guidelines or sold as livestock feed additive. **Meets Criterion.**

4. The proposed conditional use will be so located in relation to the thoroughfare system that neither extension nor enlargement nor any other alteration of that system in a manner resulting in higher net public cost or earlier incursion of public cost than would result from development permitted by right.

Staff Analysis: Being an anticipated use in the DT zoning district, the proposed specialty distillery/bar at the subject site is not anticipated to cause a higher net public cost or earlier incursion of public cost than what would result from a development permitted by right. Staff has determined that the existing infrastructure is sufficient to accommodate the proposed use. **Meets Criterion.**

5. The proposed conditional use will be so located in relation to water lines, sanitary sewers, storm sewers, surface drainage systems and other utility systems that neither extension nor enlargement nor any other alteration of such systems in a manner resulting in higher net public cost or earlier incursion of public cost than would result from development permitted by right.

Staff Analysis: The Applicant will be utilizing the existing water lines, sanitary sewers, storm sewers, surface drainage systems, and other utility systems. No adverse impact to infrastructure or public utilities is anticipated to occur as a result of this request. **Meets Criterion.**

6. The proposed conditional use will not place a demand on municipal police or fire protection service beyond the capacity of those services.

Staff Analysis: Being an anticipated use in the DT zoning district, this use should not place a demand on municipal police or fire protection services beyond capacity. **Meets Criterion.**

7. The proposed conditional use will not generate significant noise, or will appropriately mitigate anticipated noise to a level compatible with that which would result from a development permitted by right. Any proposed use must meet all the requirements and stipulations set forth in section 15.24, Noise control.

Staff Analysis: The proposed specialty distillery/bar is not anticipated to generate noise levels greater than that of a use permitted by right. The Applicant states that copper pot distilling process is thousands of years old and does not generate any noise. The distilling process involves heating water through a low-pressure steam system. The Applicant states that all noise emissions will be compliant with the City's Noise regulations. Per the City's Noise Ordinance, unreasonable noise, which is defined in Section 15.24-1, is prohibited in the City when:

- Equal to or greater than 65 dba between 11:00 p.m. and 8:00 a.m., Sunday through Thursday
- Greater than 85 dba between 8:00 a.m. and 11:00 p.m., Sunday through Thursday
- Equal to or greater than 65 dba between 12:00 a.m. and 8:00 a.m., Friday through Saturday
- Equal to or greater than 85 dba between 8:00 a.m. and 12:00 a.m., Friday through Saturday

This application is conditioned so that the business shall generate noise levels that are compliant with Section 15.24. **Meets Criterion.**

8. The proposed conditional use will not generate light or glare which encroaches onto any adjacent property in excess of that allowed in Section 23.4-3, Exterior lighting.

Staff Analysis: The distilling process will not generate additional light. Further, the Applicant has not proposed additional lighting on the site as part of this application and states that the Conditional Use will not generate light or glare onto any residential properties. **Meets Criterion.**

Section 23.4-13(c)(18): Breweries, Distilleries, Micro-breweries, Micro-distilleries, Specialty breweries, and Specialty distilleries

The land development regulations require all specialty distilleries to be analyzed for consistency with Section 23.4-13(c)(18). Staff has reviewed the application against this section and has determined that the proposed application is consistent with the following specific use criteria for specialty distilleries:

1. The minimum size area shall be 7,500 square feet.

Staff Analysis: Based on the survey provided, the lot is 8,500 square feet. **Meets Criterion.**

2. The minimum lot width shall be 75 feet.

Staff Analysis: Based on the survey provided, the lot width is 85 feet. **Meets Criterion.**

3. All such uses shall be located a minimum of 500 feet from each other.

Staff Analysis: The proposed specialty distillery/bar is the first one of its kind in the City, and therefore, is more than 500 feet from another specialty distillery/bar. Based on the alcohol beverage license proximity map, the proposed specialty distillery/bar is also more than 500 feet from another establishment that is license to sell the package sales of alcohol. **Meets Criterion.**

4. The site must be provided with a minimum five-foot-wide perimeter planting area when adjacent to residential uses.

Staff Analysis: The site is not adjacent to residential uses. **Meets Criterion.**

5. A fence or wall shall be erected at a height of not less than six feet when the parking area(s) or other common area(s) is within 25 feet of a residential district, in addition to the landscaping requirements outlined in subsection five above.

Staff Analysis: The property is surrounded by DT zoned properties and therefore is not within 25 feet of a residential district. **Meets Criterion.**

6. Variances for minimum site area shall not be granted.

Staff Analysis: The site meets the minimum site area of 7,500 square feet and will not be applying for a variance. **Meets Criterion.**

7. Specialty breweries and specialty distilleries shall front one of the City's major thoroughfares.

Staff Analysis: The site fronts Lake Avenue, which is one of the City's major thoroughfares. **Meets Criterion.**

8. Outdoor display of items is strictly prohibited.

Staff Analysis: There are no outdoor display items proposed within this application. **Meets Criterion.**

9. Establishments must have at least 25% clear glazing and fenestration along frontages with entrances clearly identifiable.

Staff Analysis: Based on the elevations proposed within the minor site plan amendment application, the front façade has over 25% of clear glazing and fenestration and the entrances are clear and identifiable. **Meets Criterion.**

10. Display windows must have engaging and pedestrian friendly vignettes.

Staff Analysis: A condition of approval has been crafted so that the portion of glazing that is used for signage and with visible merchandise display shall have pedestrian friendly vignettes. **Meets Criterion.**

11. All sales, transactions, except during City approved special events, shall take place within the building.

Staff Analysis: A condition of approval has been crafted to that all sales, transactions, except during City approved special events, shall take place within the building. **Meets Criterion.**

12. Walk up sale windows shall not be allowed.

Staff Analysis: The proposal does not show walk up sale windows. **Meets Criterion.**

13. All storage, production, shipping, and receiving associated with the use must be confined within an approved building or structure.

Staff Analysis: Based on the Applicant's floorplan, all storage and production will be inside the building at Lake Avenue. All trucks for shipping and deliveries will utilize the parking lot to the north of the building which is under the same ownership as 604 Lake Avenue. **Meets Criterion.**

14. All deliveries and distribution activities shall take place between the hours of 8am and 6pm, Monday through Saturday, except when located within an industrial zoning district.

Staff Analysis: The Applicant states that at maximum capacity, the business will experience deliveries/pick-ups two times per week. A condition of approval has been crafted so that all deliveries and pick-ups shall be between the hours of 8am and 6pm, Monday through Saturday. **Meets Criterion.**

15. Each facility shall abide by the following restrictions on production capacity:

- a) Specialty breweries and specialty distilleries shall have a production capacity of no more than 325,000 proof gallons on an annual basis, or 1,009,500, 750 mL bottles production per year.

Staff Analysis: The proposed craft distillery/bar intends to produce their spirits in small batches. The Applicant states that initially, Dr. Spirits plans on producing 12,000 gallons of 80-proof spirits per year. At full capacity, Dr. Spirits is expecting to produce 300,000 gallons of 80-proof spirits per year. **Meets Criterion.**

16. Each facility shall abide by the following restrictions on deliveries:

- a) Specialty breweries and specialty distilleries shall have no more than six commercial truck deliveries for shipping, receiving and distribution each week and no deliveries or distribution on Sunday. All deliveries must take place on site and off public rights of way.

Staff Analysis: The Applicant states that initially, Dr. Spirits is planning on have one delivery/pick-up truck come to the facility every other week. At maximum capacity, the business will experience deliveries/pick-ups two times per week. A condition of approval has been crafted so that no more than six commercial truck deliveries shall come to the facility each week. As stated, all trucks for shipping and deliveries will utilize the parking lot to the north of the building which is under the same ownership as 604 Lake Avenue. **Meets Criterion.**

17. All micro-breweries, micro-distilleries, specialty breweries and specialty distilleries shall be required to have a retail sales component and a consumption on premises component. For micro-breweries, micro-distilleries, specialty breweries and specialty distilleries in mixed-use districts, no more than seventy (70%) percent of the use area shall be used for brewery or distillery manufacturing or production, including packaging with the balance consisting of office, retail sales and taprooms / tasting areas.

Staff Analysis: The business plans on having the retail sale of their distilled product as well as a tasting room for on-site consumption. Dr. Spirits also plans on having branded merchandise for sale. Based on the floor plan submitted, the manufacturing and production area does not appear to take up more than 70% of the use area. Staff will ensure this condition is met through the minor site plan review process. **Meets Criterion.**

18. For micro-breweries, micro-distilleries, specialty breweries and specialty distilleries, guest taps may be allowed in conjunction with a tap or tasting room not to exceed 30% of the number of taps or on-site production unless as part of a restaurant with bar or bar use approval.

Staff Analysis: The proposed use does not appear to exceed 30% of guest taps. However, the conditional use request includes the approval of a bar in the event the business may desire to designate over 30% of its taps for guest taps in the future. Staff anticipated that specialty distilleries and breweries in the downtown would be reviewed for concurrent approval as a bar and/or restaurant in the City's commercial core. **Meets Criterion.**

19. All spoils generated as the result of the fermentation and production shall be disposed in an appropriate manner meeting all requisite health and safety standards.

Staff Analysis: The Applicant states that all waste will be disposed of properly and conform to all health and safety standards. A condition of approval has been crafted to require all spoils to be disposed in an appropriate manner and meet all required health and safety standards. **Meets Criterion.**

20. Other appropriate conditions may be placed on the use approval depending on location, building/structure and orientation to ensure nuisance type of activities including but not limited to noise, dust, pollutants, odors, and waste by products and other use impacts do not occur.

Staff Analysis: Additional conditions of approval have been added where Staff felt appropriate in order to ensure nuisance activities do not occur at the site. **Meets Criterion.**

Chapter 5-5(d): Alcoholic Beverages, Standards for review

This application includes two alcohol beverage distance waiver requests. The alcohol waiver for on-site consumption requires Planning & Zoning Board approval, while the alcohol waiver for package sales requires review by the City Commission. The land development regulations require all alcohol beverage distance waivers to be analyzed for consistency with Chapter 5-5(d). Staff has reviewed the application against this section and has determined that the proposed waivers requested are consistent with the following standards for review:

1. Whether approval of the waiver will result in two or more alcoholic beverage establishments having a license within 500 feet of a protected land use or each other, or within 500 feet of a property zoned for residential use.

Staff Analysis: The approval of the waivers would result in the proposed business being within 500 feet of 19 other business that hold an alcohol beverage license. A full list of those businesses are included in Attachment B. The property is greater than 500 feet from a residential zoning district and is similar in nature and function to the other restaurant/bar uses within the downtown core area. As mentioned, the proposed specialty distillery/bar is not intended to create adverse impacts to the surrounding area. **Meets Criterion.**

2. Whether the license is being added to or is a license upgrade of an existing use or to an establishment which is relocating to the subject location.

Staff Analysis: There appears to have been alcohol beverage licenses at this location for the onsite consumption of alcohol linked to previous operating businesses at this site such as Rosie's Key West Grill, Ray's Key West Grill, and Lake Worth Rum Shack. The requested alcohol beverage distance waiver would allow the onsite consumption of alcohol, which is similar in nature to previous activities at this site, and would allow for packaged sales. If approved, the proposed specialty distillery/bar will be subject to the limited hours of sale outlined in Chapter 5-4, which states that establishments with an alcohol license for onsite consumption shall only sell alcohol between the hours of 7am – 2am. Establishments with an alcohol license for packaged sales shall only sell between the hours of 7am – 10pm. **Meets Criterion.**

3. If the property contains a structure which is on the National Register of Historic Places or otherwise has been designated by the city as having historic architectural significance, whether the structure will be preserved or developed so as to retain its architectural and historic character

Staff Analysis: The property is not on the National Register of Historic Places nor is it designated as a local contributing historic structure. **Meets Criterion.**

4. Whether the waiver promotes the health, safety and welfare of the neighborhood and the public.

Staff Analysis: The waiver is crucial to the operations of the proposed specialty distillery/bar. The Applicant states that the proposed use will enhance the City by establishing a unique use within the City that will be well utilized by locals and tourists. **Meets Criterion.**

CONCLUSION:

The analysis has shown that the required findings can be made with respect to the conditional use permit and Alcohol Beverage Distance Waiver requests. The use as proposed is in harmony with the Comprehensive Plan, underlying zoning district, and surrounding areas, subject to compliance with staff's proposed conditions of approval. Therefore, staff is recommending approval of the conditional use permit with conditions below:

Planning/Urban Design:

1. Prior to the approval of a City business license, the following shall be completed:
 - a. The building shall complete a Use and Occupancy inspection.
 - b. The Applicant shall receive minor site plan approval for the proposed exterior renovations.
 - c. The gate for the dumpster enclosure shall be replaced with an opaque material such as a wood gate or PVC gate. Note that the gate change requires a City building permit.

2. Prior to the approval of the minor site plan amendment, the portion of glazing that is used for signage and with visible merchandise display shall show pedestrian friendly vignettes.
3. All proposed exterior renovations to the building shall be completed as part of Phase I.
4. All sales, transactions, except during City approved special events, shall take place within the building.
5. Walk up sale windows shall not be allowed.
6. All spoils generated as the result of the fermentation and production shall 707 be disposed in an appropriate manner meeting all requisite health and 708 safety standards.
7. All deliveries and distribution activities shall take place between the hours of 8am and 6pm, Monday through Saturday.
8. The business shall have no more than six commercial truck deliveries for shipping, receiving and distribution each week.
9. As stated by the Applicant, all delivery/shipping trucks shall utilize the rear parking lot, also owned by David Kislin of JEL Development. Shipping and delivery trucks are not permitted to park in the right-of-way.
10. All spoils generated as the result of the fermentation and production shall be disposed in an appropriate manner meeting all requisite health and safety standards.
11. Prior to Dr. Spirits obtaining a City business license, the Applicant shall provide the City with proof of a parking agreement allowing Dr. Spirits to use a minimum of four spaces at 601, 605, and 607 Lucerne Avenue. Once Phase II is complete, prior to Doc Holliday's BBQ obtaining a City business license, the Applicant shall provide the City with proof of an updated parking agreement allowing Dr. Spirits and Doc Holliday's BBQ to use a minimum of 28 spaces at 601, 605, and 607 Lucerne Avenue.

Board Actions:

Conditional Use Permit: PZB 20-00500010:

- I MOVE TO APPROVE PZB PROJECT NUMBER 20-00500010 with staff conditions based on the data and analysis in the staff report for a **Conditional Use Permit** to allow a specialty distillery/bar use at 604 Lake Avenue. The project meets the conditional use criteria based on the data and analysis in the staff report.
- I MOVE TO DISAPPROVE PZB PROJECT NUMBER 20-00500010 for a **Conditional Use Permit** to allow a specialty distillery/bar use at 604 Lake Avenue. The project does not meet the conditional use criteria for the following reasons [Board member please state reasons.]

Alcohol Beverage Distance Waiver (Onsite Consumption), PZB 20-00600001:

- I MOVE TO APPROVE PZB PROJECT NUMBER 20-00600001 based on the data and analysis in the staff report for an **Alcohol Beverage Distance Waiver** to allow the onsite consumption of alcoholic beverages at 604 Lake Avenue.
- I MOVE TO DISAPPROVE PZB PROJECT NUMBER 20-00600001 for an **Alcohol Beverage Distance Waiver** to allow the onsite consumption of alcoholic beverages at 604 Lake Avenue. The project does not meet the alcohol waiver criteria for the follow reasons [Board member please state reasons.]

Alcohol Beverage Distance Waiver (Packaged Sales), PZB 20-00600001:

- I MOVE TO RECOMMEND APPROVAL OF PZB PROJECT NUMBER 20-00600001 with a staff condition limiting package sales to products produced on-site based on the data and analysis in the staff report for an **Alcohol Beverage Distance Waiver** to allow for packaged sales of alcoholic beverages at 604 Lake Avenue to the City Commission.

- I MOVE TO RECOMMEND DENIAL OF PZB PROJECT NUMBER 20-00600001 for an **Alcohol Beverage Distance Waiver** to allow for packaged sales of alcoholic beverages at 604 Lake Avenue to the City Commission. The project does not meet the alcohol waiver criteria for the following reasons [Board member please state reasons.]

Consequent Action:

The Planning & Zoning Board's decision will be final authority for the Conditional Use Permit and for the Alcohol Beverage Distance Waiver to allow the onsite consumption of alcohol. The Applicant may appeal the Board's decision to the City Commission.

ATTACHMENTS:

- A. Zoning Map
- B. Application Package
- C. Site Photos