

## MAYOR AND COUNCIL COMMUNICATION

**DATE:** May 2, 2023

**TO:** Mayor and Council

**FROM:** Roque Salinas, Director of Economic Development

**THROUGH:** Crystal Caldera, City Manager

**SUBJECT:** Presentation, Discussion and Public Hearing to Consider an approval on a NonSpecified Use Request to Allow the Use “Bar” in the O-1 Office with a Specific Use Permit, and in the B-1 Small Business, B-2 Retail, B-3 Commercial, and I-1 Industrial Zoning Districts without a Specific Use Permit (SUP), to Allow the Use “Entertainment – Indoor” in the B-2 and B-3 Zoning Districts without an SUP, and the Use “Entertainment – Outdoor” to be Allowed in the B-2 and B-3 Zoning Districts without an SUP- R. Salinas, Director of Economic Development (1<sup>st</sup> Read as Required by City Charter)

### PURPOSE

The purpose of this communication is to propose the use “Bar” be allowed in the O-1 Office zoning district with a Specific Use Permit (SUP), and in the B-1 Small Business, B-2 Retail, and I-1 Industrial zoning districts without an SUP. The use is currently prohibited in the O-1, B-1 and B-2 zoning districts and are only allowed in the B-3 and I-1 districts with an SUP.

It is also proposed that the use “Entertainment – Indoor” be allowed in the B-2 and B-3 zoning districts without an SUP. This use is allowed in the B-1, B-2, and B-3 districts, but only with an approved SUP.

Finally, the use “Entertainment – Outdoor” is allowed in the B-1, B-2, and B-3 districts with an SUP. It is proposed to remove the requirement for an SUP when located in a B-2 or B-3 zoning district.

The changes would be as follows:

Current:

Use	O-1	B-1	B-2	B-3	I-1
Bar	X	X	X	SUP	SUP
Entertainment - indoor	X	SUP	SUP	SUP	P
Entertainment - outdoor	X	SUP	SUP	SUP	X

Proposed:

Use	O-1	B-1	B-2	B-3	I-1
Bar	SUP	P	P	P	P
Entertainment - indoor	X	SUP	P	P	P
Entertainment - outdoor	X	SUP	P	P	X

### **FISCAL IMPACT**

These changes may encourage these types of business to relocate to Leon Valley, which would increase sales tax, alcoholic beverage taxes, and possibly ad valorem taxes.

### **SEE LEON VALLEY**

***Social Equity*** – Changing the zoning districts in which these establishments are allowed to operate would allow all Leon Valley citizens to enjoy venues closer to home.

***Economic Development*** – The proposed changes would encourage a diverse and versatile business environment that supports a healthy economy and may assist in attracting, expanding, and retaining viable businesses to promote development and redevelopment.

***Environmental Stewardship*** – Any new or remodeled establishments would be required to conform to the 2021 International Energy and Building Codes.

### **CITY COUNCIL STRATEGIC GOALS**

- Create, review, and enforce codes that impact Economic Development
- Revitalize declining commercial areas by creating, reviewing, and enforcing codes that impact Economic Development
- Promote Leon Valley

### **RECOMMENDATION**

There is a demand for businesses that primarily generate revenue from the sale of alcoholic beverages. There are numerous businesses in the surrounding areas that are considered to be a “bar, indoor and/or outdoor entertainment” establishment; however, the current Leon Valley zoning regulations restrict these types of establishments from operating in our prime retail spaces. Allowing these uses in these zoning districts will encourage business establishments to operate, grow, and provide a venue for residents to attend within the city limits.

The Planning and Zoning Commission recommended approval of this request at their April 25<sup>th</sup> meeting.