

MAYOR AND COUNCIL COMMUNICATION

DATE: May 16, 2023

TO: Mayor and City Council

FROM: Roque Salinas, Director of Economic Development
Mindy Teague, Planning and Zoning Director

THROUGH: Crystal Caldera, PhD., City Manager

SUBJECT: Discussion and Possible Action on an Ordinance to Amending the Leon Valley Code Of Ordinances, Chapter 15 Zoning, Division 2 – Rules Of Construction and Definitions, Sec. 15.02.052 – Definitions and Division 7 Permitted Use Table, Section 15.02.381 to Update Definitions and Allow the Uses “Bar/Tavern”, “Bar/Tavern With Outdoor Entertainment Area”, “Nightclub/Large Tavern”, “Entertainment – Indoor”, and “Entertainment - Outdoor” In Certain Zoning and Overlay Districts With and Without a Specific Use Permit and to Revise Certain Notes (1st Read Held 5/2/2023)
R. Salinas, Director of Economic Development

PURPOSE

This ordinance will add the following definitions:

- Bar/Tavern Completely Enclosed – an establishment, with less than five thousand (5,000) square feet and under license from the Texas Alcohol and Beverage commission (TABC), which is principally engaged in the retail sale of alcoholic beverages, with food only incidental to the sale of alcohol. A bar/tavern use may include live entertainment for indoor use only.
- Bar/Tavern with Outdoor Entertainment Area – an establishment with less than five thousand (5,000) square feet and under license from the Texas Alcohol and Beverage commission (TABC), which is principally engaged in the retail sale of alcoholic beverages, with food only incidental to the sale of alcohol. This use may include live entertainment both indoor and outdoor in designated areas.
- Nightclub/Large tavern - A bar/tavern with more than five thousand (5,001) square feet of floor area excluding kitchens, restrooms, and storage areas. This use may include a live entertainment, performance by musicians, dancers, stand-up comedians, other performance artists, live bands, musical actions; or the amplification of recorded music/entertainment by live disk jockeys for use both indoors and outdoors, in designated areas.
- Entertainment - Indoor - a use which includes, billiard parlor, bowling center, playground, skating center, video/game room, playroom/birthday party room, aquarium, museum, and other similar entertainment. On-premises

sale and consumption of alcoholic beverages is allowed so long as it does not make up 51% or more of gross revenue.

- Entertainment - Outdoor - A use which includes Baseball/softball/volleyball park, equestrian center, fairground, football field, go-karts, golf - miniature or other, sports complex, live entertainment, and other similar entertainment. On-premises sale and consumption of alcoholic beverages is allowed so long as it does not make up 51% or more of gross revenue.

The ordinance will also change the permitted use table as shown below:

Current									
Use	O-1	B-1	B-2	B-3	I-1	SO	CIO	GO	Notes
Bar	X	X	X	SUP	SUP	U	U	U	
Entertainment - indoor	X	SUP	SUP	SUP	P	U	U	U	
Entertainment - outdoor	X	SUP	SUP	SUP	X	U	P	U	
Proposed									
Use	O-1	B-1	B-2	B-3	I-1	SO	CIO	GO	Notes
Bar/Tavern Completely Enclosed	X	SUP	P	P	P	U	U	U	
Bar/Tavern with Outdoor Entertainment Area	X	X	SUP	P	P	U	U	U	
Nightclub/Large Tavern	X	X	SUP	SUP	SUP	U	U	U	
Entertainment - Indoor	X	SUP	P	P	P	U	U	U	
Entertainment - Outdoor	X	SUP	SUP	P	P	U	P	U	

FISCAL IMPACT

The City may benefit from the revision in an increase to mixed alcoholic beverage tax collection, an increase in sales tax, and further provide a local establishment(s) for residents to attend.

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

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 that are considered a “bar, indoor and/or outdoor entertainment” in the surrounding area. However, the current zoning restricts these types of establishments from operating in prime retail spaces within the City of Leon Valley.
- Allowing these uses in these zoning districts will allow these types of business establishments to operate, grow and provide a venue for residents to attend within City Limits.
- A change will allow for more businesses to move into Leon Valley and reduce the sales leakages from these types of establishments, which was cited in the 2018 master plan.
- The Planning and Zoning Commission recommended approval of the revisions to the Zoning Code.
- At council discretion

RECOMMENDATION

APPROVED : _____

DISAPPROVED: _____

APPROVED WITH THE FOLLOWING AMENDMENTS :

ATTEST :

SAUNDRA PASSAILAIGUE, TRMC
City Secretary