

## NEIGHBORHOOD PLAN AMENDMENT REVIEW SHEET

**NEIGHBORHOOD PLAN:** South Congress Combined

**CASE#:** NPA-2016-0020.01

**DATE FILED:** February 29, 2016

**PROJECT NAME:** 440 E. St. Elmo Plan Amendment

**PC DATE:** May 25, 2016

**ADDRESS:** 440 East St. Elmo Road (Bldg. F) *[Previously listed as 444 E. St. Elmo Rd.]*

**DISTRICT AREA:** 3

**SITE AREA:** 0.167 acres (7,289 sq. feet)

**OWNER/APPLICANT:** Atlas/Zimmerman Family, L.L.C.

**AGENT:** Thrower Design (A. Ron Thrower)

**TYPE OF AMENDMENT:**

**Change in Future Land Use Designation**

**From:** Industry

**To:** Commercial

**Base District Zoning Change**

**Related Zoning Case:** C14-2016-0024

**From:** LI-NP

**To:** CS-1-NP

**NEIGHBORHOOD PLAN ADOPTION DATE:** August 18, 2005

**PLANNING COMMISSION RECOMMENDATION:**

May 24, 2016 – Approved for Commercial land use on the consent agenda. [P. Seeger- 1<sup>st</sup>; J. Vela – 2<sup>nd</sup>] Vote: 10-0-3 [Commissioners Kazi, A. Pineyro DeHoyos, and J. Thompson absent. J. Schissler abstained on Item C-8. S. Oliver abstained on Items C-3 and C-4]

**STAFF RECOMMENDATION:** Recommended

**BASIS FOR STAFF'S RECOMMENDATION:** Staff supports the applicant's request to change the future land use map from Industrial to Commercial. The area is an industrial park with a mix of commercial and industrial uses. The neighborhood plan supports the area in which the property is located for industrial and commercial uses.

Below are sections of the South Congress Combined Neighborhood Plan that supports the applicant's request:

### ***GOAL THREE***

#### ***Focus mixed-use development and commercial uses along major commercial corridors and in specialized districts.***

##### **The St. Elmo Industrial District**

The St. Elmo Industrial District is becoming eclectic and more diverse. The wide variety of home improvement and music industry-oriented businesses makes it a vibrant district. Within a half-mile, there are twenty-two construction supply houses of various types and five plumbing supply houses. This area is also home to a several light manufacturing concerns. Throughout the planning process, it was noted that this area is an asset and is one of the few districts of its kind functioning well in the City. Although traffic is a concern, this area should continue to be utilized as a commercial and industrial district.

##### **Objective 3.12**

The St. Elmo Industrial District should be preserved and enhanced where appropriate.

### **LAND USE DESCRIPTIONS**

#### ***EXISTING LAND USE ON THE PROPERTY***

**Industry** - Areas reserved for manufacturing and related uses that provide employment but are generally not compatible with other areas with lower intensity use. Industry includes general warehousing, manufacturing, research and development, and storage of hazardous materials

#### **Purpose**

1. To confine potentially hazardous or nuisance-creating activities to defined districts;
2. To preserve areas within the city to increase employment opportunities and increased tax base;
3. To protect the City's strategic advantage as a high tech job center; and
4. To promote manufacturing and distribution activities in areas with access to major transportation systems.

## **Application**

1. Make non-industrial properties in areas with a dominant industrial character compatible with the prevailing land use scheme;
2. Where needed, require a buffer area for industrial property that abuts residentially used land;
3. Industry should be applied to areas that are not appropriate for residential or mixed use development, such as land within the Airport Overlay; 4. In general, mixed use and permanent residential activities are not appropriate in industrial areas. An exception may be the edge of an industrial area along the interface with an area in which residential activities are appropriate. Such exceptions should be considered case by case, with careful attention to both land use compatibility and design;
5. Industry should not be either adjacent to or across the road from single family residential or schools;
6. Use roadways and/or commercial or office uses as a buffer between residential and industry; and
7. Smaller scale “local manufacturing” districts may be appropriate in some locations to preserve employment opportunities and cottage industries of local artisans. In these areas, hazardous industrial uses (i.e. basic industry, recycling centers, and scrap yards) should be prohibited.

## ***PROPOSED LAND USE ON THE PROPERTY***

**Commercial** - Lots or parcels containing retail sales, services, hotel/motels and all recreational services that are predominantly privately owned and operated for profit (for example, theaters and bowling alleys). Included are private institutional uses (convalescent homes and rest homes in which medical or surgical services are not a main function of the institution), but not hospitals.

## **Purpose**

1. Encourage employment centers, commercial activities, and other non- residential development to locate along major thoroughfares; and
2. Reserve limited areas for intense, auto-oriented commercial uses that are generally not compatible with residential or mixed use environments.

## **Application**

1. Focus the highest intensity commercial and industrial activities along freeways and major highways; and

2. Should be used in areas with good transportation access such as frontage roads and arterial roadways, which are generally not suitable for residential development.

## IMAGINE AUSTIN PLANNING PRINCIPLES

1. Create complete neighborhoods across Austin that provide a mix of housing types to suit a variety of household needs and incomes, offer a variety of transportation options, and have easy access to daily needs such as schools, retail, employment, community services, and parks and other recreation options.
  - ***The proposed zoning of CS-1 would not provide additional housing options. The property is located near bus routes and other businesses.***
2. Support the development of compact and connected activity centers and corridors that are well-served by public transit and designed to promote walking and bicycling as a way of reducing household expenditures for housing and transportation.
  - ***The property is located off the South Congress Avenue Activity Corridor as identified in the Imagine Austin Comprehensive Plan.***
3. Protect neighborhood character by ensuring context-sensitive development and directing more intensive development to activity centers and corridors, redevelopment, and infill sites.
  - ***The property is located within an established industrial park with industrial and commercial uses. The proposed change is to allow a tasting room for the proposed distillery that is allowed in the current zoning of Limited Industrial zoning district.***
4. Expand the number and variety of housing choices throughout Austin to meet the financial and lifestyle needs of our diverse population.
  - ***The proposed zoning of CS-1 would not include housing options.***
5. Ensure harmonious transitions between adjacent land uses and development intensities.
  - ***The proposed change in the future land use map to Commercial is compatible with the existing Industrial land use. There will be no residential uses with the proposed change that would be incompatible with the industrial uses.***
6. Protect Austin's natural resources and environmental systems by limiting land use and transportation development over environmentally sensitive areas and preserve open space and protect the function of the resource.
  - ***The property is not located within an environmentally sensitive area.***
7. Integrate and expand green infrastructure—preserves and parks, community gardens, trails, stream corridors, green streets, greenways, and the trails system—into the urban environment and transportation network.
  - ***Not applicable.***
8. Protect, preserve and promote historically and culturally significant areas.

- *Not applicable.*
- 9. Encourage active and healthy lifestyles by promoting walking and biking, healthy food choices, access to affordable healthcare, and to recreational opportunities.
  - *Not applicable.*
- 10. Expand the economic base, create job opportunities, and promote education to support a strong and adaptable workforce.
  - *The applicant says up to 50 new jobs could be created with this proposed zoning change for a distillery.*
- 11. Sustain and grow Austin's live music, festivals, theater, film, digital media, and new creative art forms.
  - *Not directly applicable.*
- 12. Provide public facilities and services that reduce greenhouse gas emissions, decrease water and energy usage, increase waste diversion, ensure the health and safety of the public, and support compact, connected, and complete communities.
  - *Not applicable.*

## IMAGINE AUSTIN GROWTH CONCEPT MAP

### *Definitions*

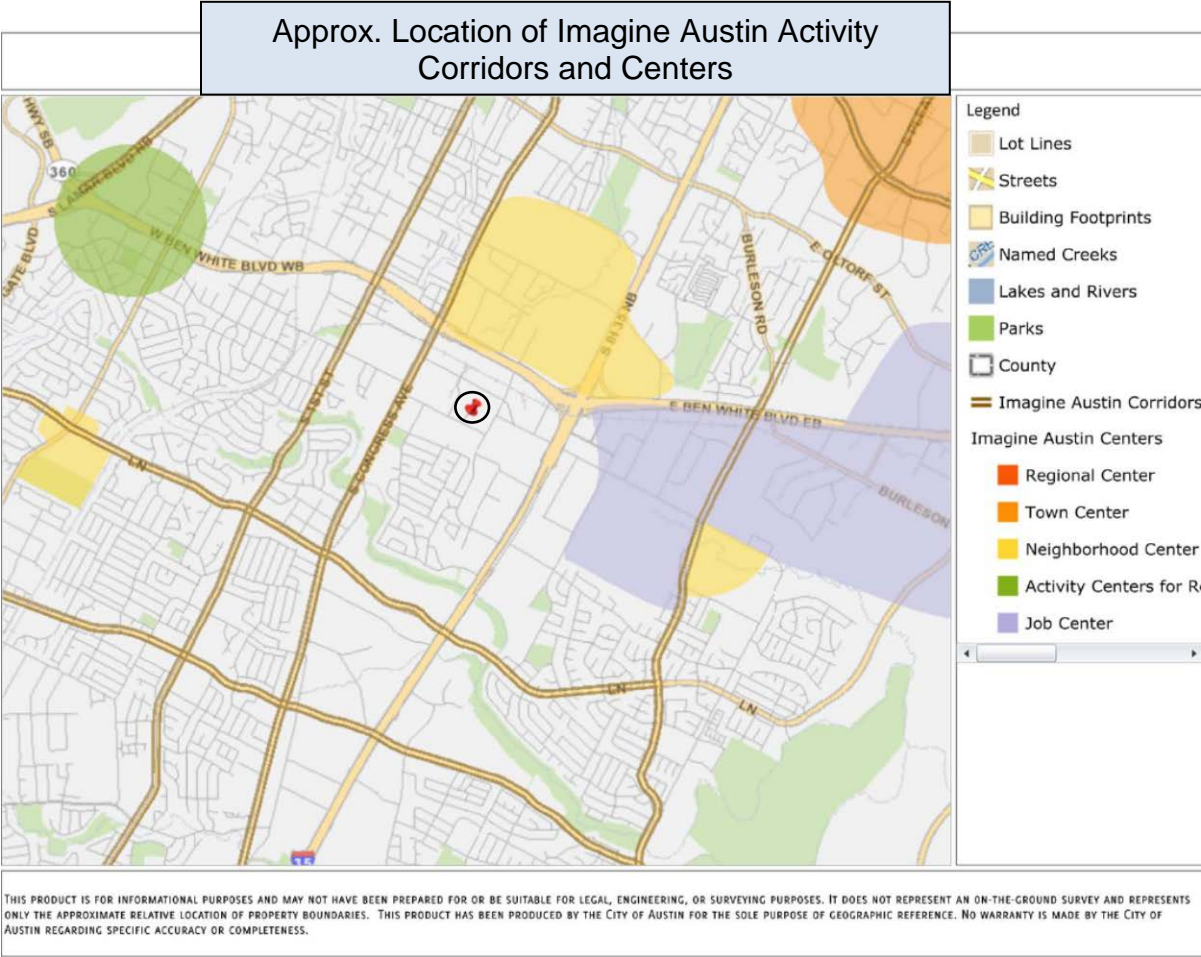
**Neighborhood Centers** - The smallest and least intense of the three mixed-use centers are neighborhood centers. As with the regional and town centers, neighborhood centers are walkable, bikable, and supported by transit. The greatest density of people and activities in neighborhood centers will likely be concentrated on several blocks or around one or two intersections. However, depending on localized conditions, different neighborhood centers can be very different places. If a neighborhood center is designated on an existing commercial area, such as a shopping center or mall, it could represent redevelopment or the addition of housing. A new neighborhood center may be focused on a dense, mixed-use core surrounded by a mix of housing. In other instances, new or redevelopment may occur incrementally and concentrate people and activities along several blocks or around one or two intersections. Neighborhood centers will be more locally focused than either a regional or a town center. Businesses and services—grocery and department stores, doctors and dentists, shops, branch libraries, dry cleaners, hair salons, schools, restaurants, and other small and local businesses—will generally serve the center and surrounding neighborhoods.

**Town Centers** - Although less intense than regional centers, town centers are also where many people will live and work. Town centers will have large and small employers, although fewer than in regional centers. These employers will have regional customer and employee bases, and provide goods and services for the center as well as the surrounding areas. The buildings found in a town center will range in size from one-to three-story houses, duplexes,

townhouses, and rowhouses, to low-to midrise apartments, mixed use buildings, and office buildings. These centers will also be important hubs in the transit system.

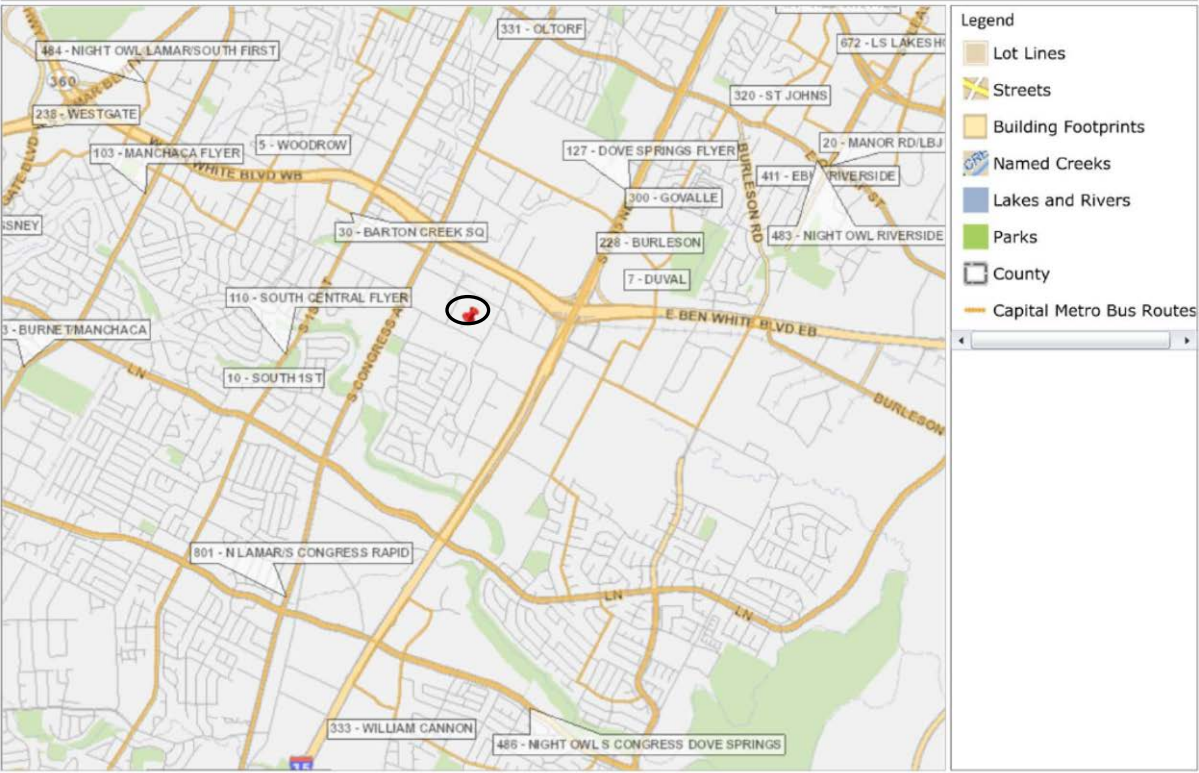
**Job Centers** - Job centers accommodate those businesses not well-suited for residential or environmentally- sensitive areas. These centers take advantage of existing transportation infrastructure such as arterial roadways, freeways, or the Austin-Bergstrom International airport. Job centers will mostly contain office parks, manufacturing, warehouses, logistics, and other businesses with similar demands and operating characteristics. They should nevertheless become more pedestrian and bicycle friendly, in part by better accommodating services for the people who work in those centers. While many of these centers are currently best served by car, the growth Concept map offers transportation choices such as light rail and bus rapid transit to increase commuter options.

**Corridors** - Activity corridors have a dual nature. They are the connections that link activity centers and other key destinations to one another and allow people to travel throughout the city and region by bicycle, transit, or automobile. Corridors are also characterized by a variety of activities and types of buildings located along the roadway — shopping, restaurants and cafés, parks, schools, single-family houses, apartments, public buildings, houses of worship, mixed-use buildings, and offices. Along many corridors, there will be both large and small redevelopment sites. These redevelopment opportunities may be continuous along stretches of the corridor. There may also be a series of small neighborhood centers, connected by the roadway. Other corridors may have fewer redevelopment opportunities, but already have a mixture of uses, and could provide critical transportation connections. As a corridor evolves, sites that do not redevelop may transition from one use to another, such as a service station becoming a restaurant or a large retail space being divided into several storefronts. To improve mobility along an activity corridor, new and redevelopment should reduce per capita car use and increase walking, bicycling, and transit use. Intensity of land use should correspond to the availability of quality transit, public space, and walkable destinations. Site design should use building arrangement and open space to reduce walking distance to transit and destinations, achieve safety and comfort, and draw people outdoors.



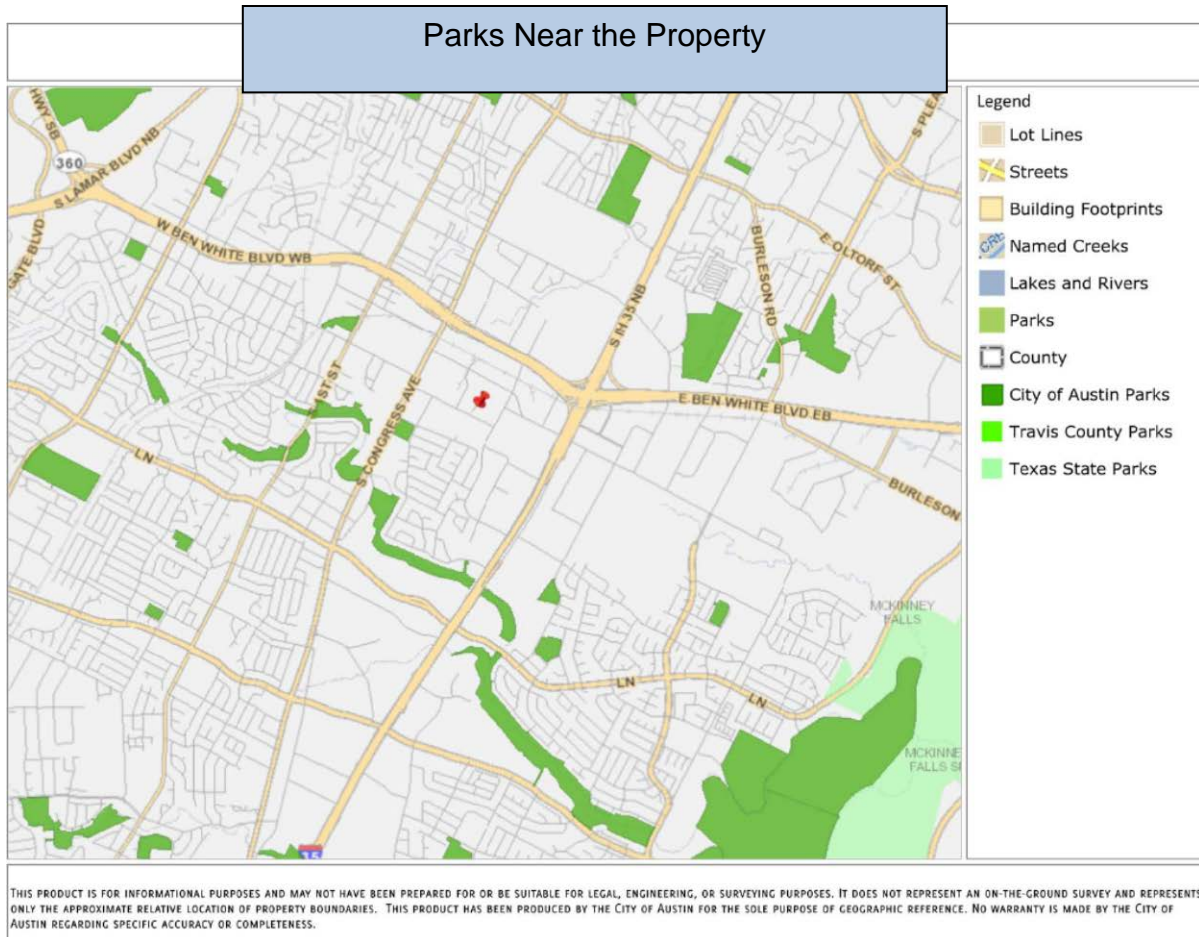


Capital Metro Bus Routes Near Property



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**BACKGROUND:** The application was filed on February 29, 2016, which is in-cycle for neighborhood planning areas located on the west side of I.H-35.

The applicant proposes to change land use on the future land use map from Industrial to Commercial. The proposed zoning is from LI-NP (Limited Industrial – Neighborhood Plan) to CS-1-NP (Commercial –Liquor Sales – Neighborhood Plan). The applicant proposes to open a distillery within the existing building with a tasting area. The tasting area requires the CS-1-NP zoning district for on-sight consumption of liquor. For more information on the zoning request, please see the associated zoning case report for C14-2016-0024.

**PUBLIC MEETINGS:** The ordinance required community meeting was held on April 13, 2016. Approximately 56 meeting notices were mailed to people who live or own property within 500 feet, in addition to neighborhood organizations and environmental groups who requested notification for the area on the City’s Community Registry. Eighteen people attended the meeting, in addition to five people with the applicant, Ron Thrower, the applicant’s agent, and one city staff member.

After city staff gave a brief presentation on the planning process and the applicant's request, Chris Seals, the applicant, told the attendees that his company, Still Austin Whiskey Company, is going to rent space within the industrial park to make whiskey. This distillery use is allowed within the LI zoning district, however, the tasting area which will be 2,049 square feet of the total 7,289 area for the distillery, would be for patrons to taste the product. It will not be a "bar" use because the intent is for the people who take a tour of the facility to have an opportunity to taste the product and then leave. The intent is not for the patrons to stay at in the tasting room for hours at a time. He explained that when the Brewery Ordinance was approved by City Council, consumption was allowed for this use; however, distilleries were not mentioned in the ordinance, which is why they need to pursue the CS-1 zoning and the neighborhood plan amendment request. The proposal is part of a larger vision for the area called The Yard at St. Elmo, <http://www.theyardaustin.com/>.

After his presentation, the following questions were asked:

**Q. How many people can fit within the 2,049 square foot area for the tasting area?**

A. The tasting area could fit about 50 people. It would be daytime tours to taste the product.

**Q. So it would not be any tasting at night?**

A. We will have no late night hour permits. We would stay open until around 10:00 p.m. The State limits our hours and the amount of liquids we can serve per year. It's about tasting the product. It's not a bar, so people won't be hanging out for hours.

**Q. Can people purchase a bottle of your product and drink it there?**

A. No, people can't open it and drink on the premises.

**Q. Will you have outdoor music or have SXSW events?**

A. We could have both indoor and outdoor music. The current zoning of LI allows us to do music already, but we will do what people want. Music is not an integral part of our plan. We will see what the neighborhood and the public wants.

**Q. Would you be OK with a restrictive covenant that limits the outdoor music?**

A. Music is already allowed under the LI.

**Q. How many jobs would be created?**

A. Approximately 50 people would be hired. They would learn a trade and we would provide a living wage.

**Q. Would they be blue collar jobs?**

A. Yes, most are.

**Q. Could people take the bus to work?**

A. Yes.

**Q. Would you provide food?**

A. No.

**Q. With your current zoning of LI, you could make whiskey, provide tours, and have music. From what I understand, you only need the CS-1 zoning so people can taste the whisky. Right?**

A. Correct.

**Q. How often would you have tours?**

A. We would have a regular tour schedule of one every hour and special tours. People would drive their personal cars and we would have tour buses.

**Q. Could the area be used for parties and weddings?**

A. Yes, which is allowed under the LI zoning that we have right now.

**Q. You said this would be the first distillery in Austin, but breweries already exist. Aren't distilleries dangerous, could there be explosions?**

A. We worked very closely for two years with a fire engineer who worked for the City so we can make sure we follow the Code.

**Q. Will you have sufficient parking?**

A. Yes.

**Q. Do you have a traffic analysis?**

A. There was already a study for the industrial area.

**Q. The St. Elmo Lofts has a walking path, will you be connect to it?**

A. We have no plans to connect to it.

**Q. Do you have fire suppression measures?**

A. We will have a fire wall and water sprinkler systems. There will be a new fire water line.

**Q. Does the property owner have a site plan?**

A. I don't know, but they do have an overall plan.

**Q. With St. Elmo Lofts and the Saxon Pub the area we will no longer be industrial. We don't want to become another Rainey Street with crowds of people.**

A. Eighty percent of the building is industrial. Five hundred square feet of the area is outside. People will come by bus on brewery tours. This could be one place that they stop.

**Q. Do you or will you have a TABC Certificate?**

A. Yes.

**Q. How will people hear about you?**

A. We don't have a specific plan how to bring people in, but we have a website.

**Q. What is the percent of tasting to the overall business?**

A. The distributing of the product would be 99% of the business. The tasting would be 1%. There will be a limited amount of tasting. If we reach our limit by October, we can't provide any more tasting to the public.

**Q. Will you or could have walk-in customers?**

A. Yes, but we're limited to the amount we are able to sell to walk-in customers.

**Q. We don't want to push out living wage industrial uses to the outside of the city. We need skilled machinists in the area and to provide services for the area. As impervious cover increases in the city, there is more flooding.**

A. Our jobs provide skilled living-wage job opportunities. We provide people a "hand-up". We can't control the TCAD tax appraisals.

**Q. Hard liquor is my concern. Whiskey is a hard liquor, this would increase DWIs in the area.**

A. The amount of liquor would be controlled by the server, but people are there to taste, not to consume large quantities like a bar.

**Q. If you have a conditional overlay for a maximum of 2000 trips a day, how would this be enforced?**

A. Note: Staff did not have an answer at the time of the meeting, but Wendy Rhoades, the zoning planner provided this information:

*The 2,000 trip limit is enforced at the time of site plan. For this case, a 2,000 trip limit is not recommended, because the transportation review staff would like the option to pursue a traffic study at the time of site plan, if triggered.*

**CITY COUNCIL DATE:**

June 16, 2016

**ACTION:**

**CASE MANAGER:** Maureen Meredith      **PHONE:** (512) 974-2695

**EMAIL:** maureen.meredith@austintexas.gov

## Summary Letter Submitted with the Application

## Neighborhood Plan Amendment

## SUMMARY LETTER

The purpose of the change from Industrial to Commercial Land use designation is to process a concurrent application for rezoning to allow for Liquor Sales and On-site Consumption in association with a distillery.

This image shows a full page of blank, lined paper. It features approximately 20 evenly spaced horizontal blue or grey lines across its entire width. The lines are uniform in thickness and spacing, providing a template for handwriting practice or general note-taking. There are no margins, text, or other markings present on the page.

Letter of Support from S. Congress Combined NPCT

440 St. Elmo, Building F

NPA-2016-0020.01 and C14-2016-24

Case Summary

The applicant has requested a change in the Future Land Use Map (FLUM) from INDUSTRY to COMMERCIAL for a portion of the premises located at Building F, 440 St. Elmo, Austin, TX, as filed with City of Austin Case # NPA-2016-0020.01.

The applicant has requested a zoning change from LI-NP (Limited Industrial Service-District-Neighborhood Plan) to CS-1-NP (Commercial-Liquor Sales-Neighborhood Plan) for a cocktail lounge use for a portion of the premises located at Building F, 440 St. Elmo, as filed with City of Austin Case # C14-2016-0024.

The following shall apply only to the rezoning area and Future Land Use Map changes are requested, hereinafter referred to as "the Premises."

**Conditional Overlay:**

1. The following are prohibited uses: Adult oriented business
2. Cocktail lounge use is limited on the Premises to 2049 sq. ft.

**Public Restrictive Covenant** to be filed with Travis County Public Records with the City and the landowner as a party as agreed upon by the landowner, business owner and South Congress Combined Neighborhood Contact team:

1. Cocktail lounge use is permitted on the Premises, but is limited to a tasting room associated with the distillery located on the Premises.
2. Wholesale and retail sale of alcoholic beverages is permitted on the Premises, but shall be limited to the sale of alcoholic beverages manufactured or produced by or for the distillery located on the Premises.

**Private Restrictive Covenant** to be filed with Travis County Public Records with the landowner and the South Congress Combined Neighborhood Contact Team as parties as agreed upon by landowner, business owner, and South Congress Combined Neighborhood Contact team:

1. Bottles of packaged alcohol products can be purchased on the Premises, but shall not be consumed on the Premises.
2. Amplified outdoor music is prohibited on the Premises before 10 a.m. any day of the week, after 10:30 p.m. Sunday through Thursday, and after 12:00 a.m. Friday or Saturday.
3. The Premises shall be limited to no more than twenty-four (24) events that require a City of Austin Temporary Sound Permit for the Premises per 12-month period.
4. Security personnel or devices shall be provided by the business for the Premises during the hours that the distillery on the Premises is open to the public.

Approved as to Form and Content:

By the South Congress Combined Contact Team on 4/27/16, 8-0 in FAVOR votes.

Michael E. Fossun  
MICHAEL FOSSUN 5/17/16

Richard Mawes  
Richard Mawes 5/17/2016

By: \_\_\_\_\_  
Authorized Representative of South Congress  
Combined Contact Team

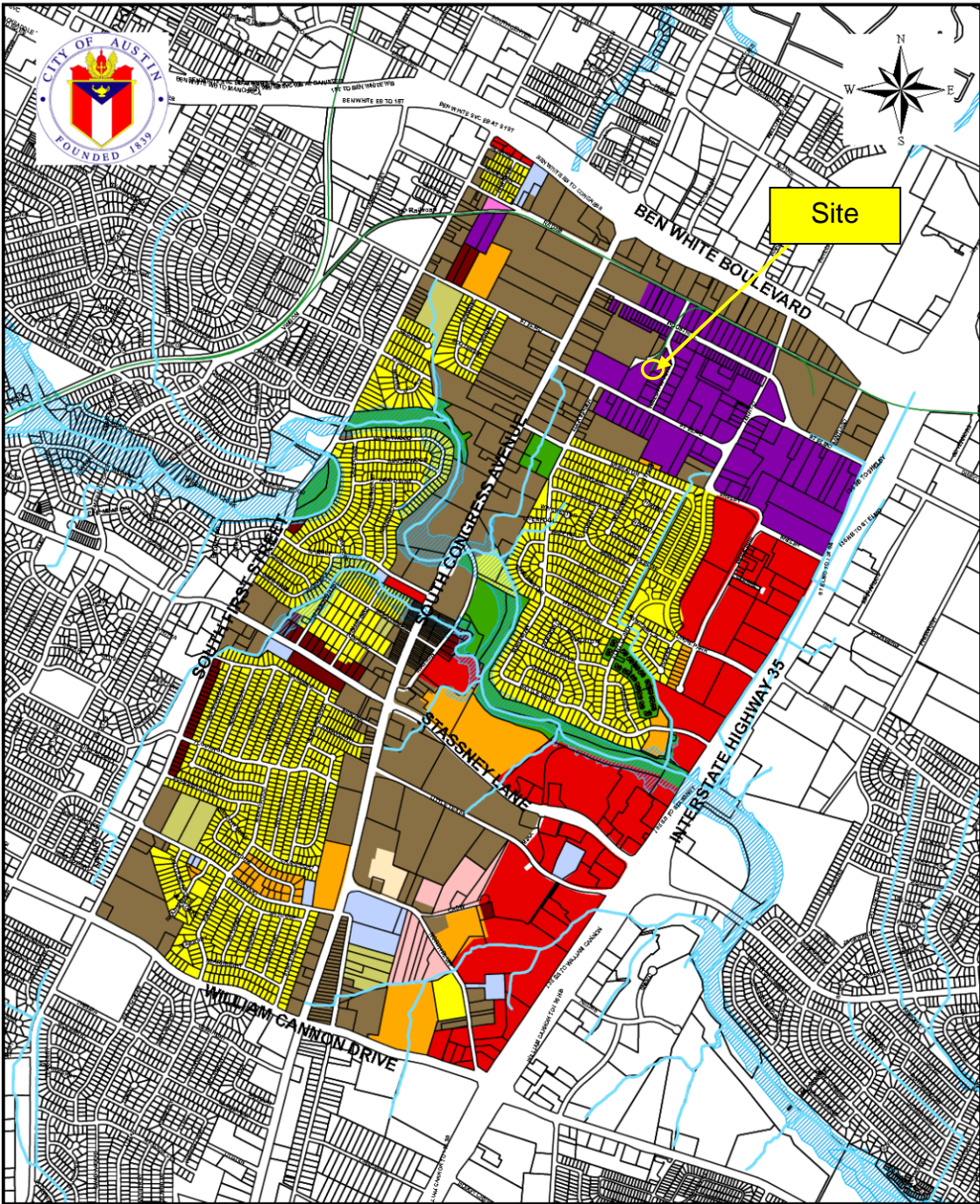
George Kreher  
GEORGE KREHER 5/17/16

Adam Zimmerman  
By: Adam Zimmerman, Manager  
Authorized Representative of Landowner  
ATLAS/ZIMMERMAN FAMILY LLC,  
THE YARD HOLDINGS LLC,  
as tenants-in-common

Mario Cantu  
Mario Cantu 5/17/16

Christopher Seals  
By: Christopher Seals, CEO  
Authorized Representative of Tenant  
Still Austin Distillery, LLC





**South Congress Combined Neighborhood  
Planning Area: Future Land Use Map**

Produced by the City of Austin  
Planning and Zoning Department  
Adopted August 18, 2005  
Updated April 12, 2016

This map has been produced by the City of Austin Planning & Development Review Department for the sole purpose of aiding neighborhood planning decisions and is not warranted for any other use. No warranty is made by the City regarding its accuracy or completeness.

2,000 1,000 0 2,000 Feet

**Legend**

- |                              |                         |
|------------------------------|-------------------------|
| Civic                        | Mobile Homes            |
| Commercial                   | Multifamily             |
| Higher-Density Single-Family | Office                  |
| Industry                     | Recreation & Open Space |
| Mixed Residential            | Residential Core        |
| Mixed Use                    | Rural Residential       |
| Mixed Use/Office             | Single-Family           |
|                              | 100-year flood          |
|                              | Creeks                  |





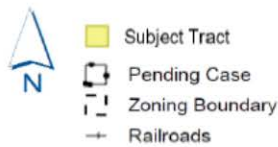
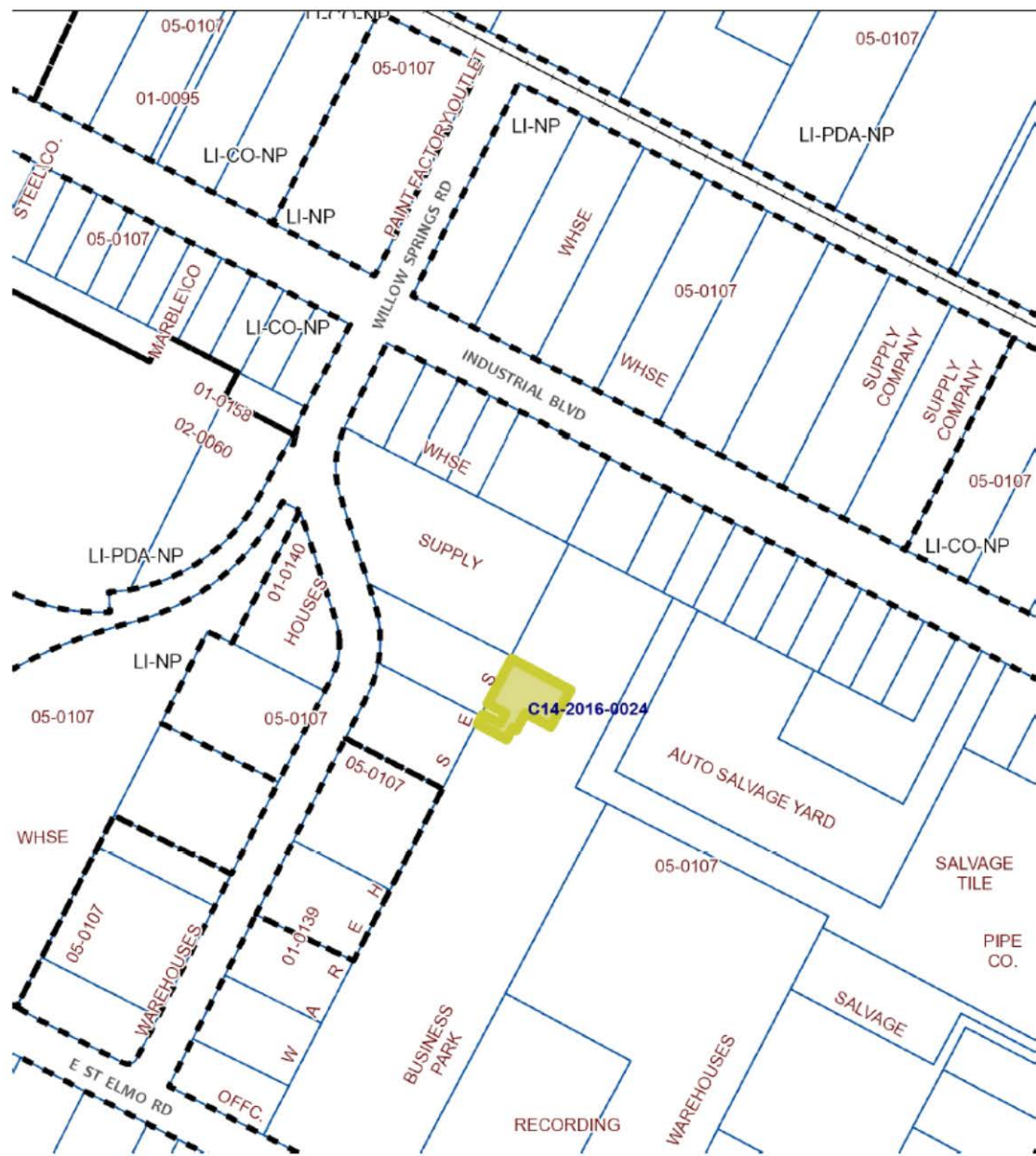
**South Congress Combined Neighborhood Planning Area**  
**NPA-2016-0020.01**

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City of Austin  
Planning and Development Review Department  
Created on 3/8/2016, by: meredithm

Future Land Use	
	500 ft. notif. boundary
	Subject Property
	Single-Family
	Multi-Family
	Commercial
	Mixed Use
	Industry
	Recreation & Open Space
	Transportation



**ZONING**

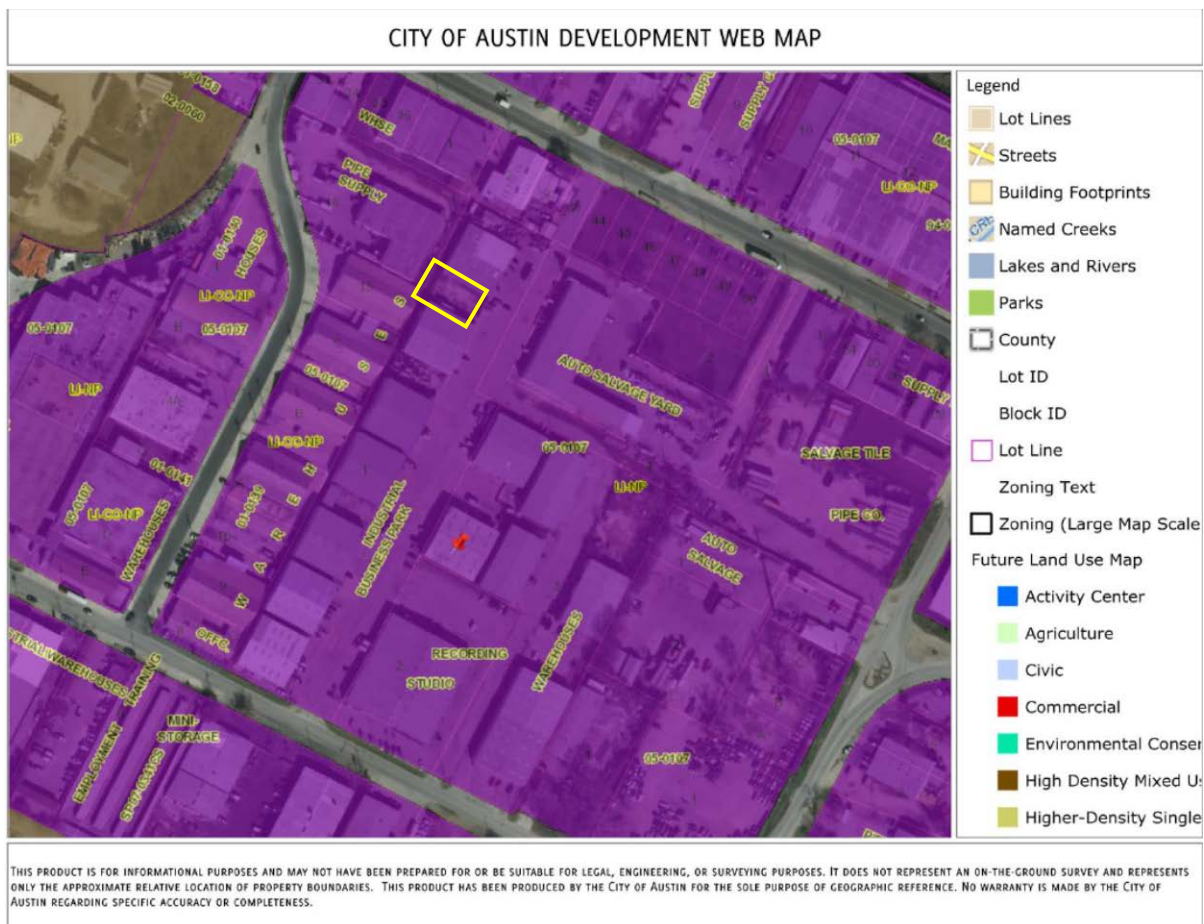
ZONING CASE#: C14-2016-0024



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CITY OF AUSTIN DEVELOPMENT WEB MAP





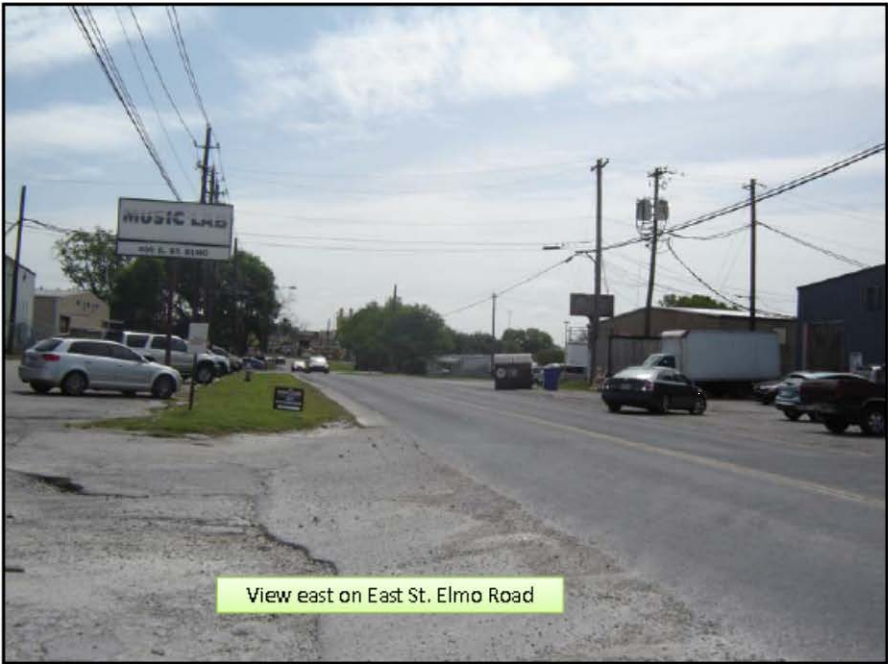












Overall Site Plan provided by Applicant

