# **SECOND/THIRD READING SUMMARY SHEET**

**ZONING CASE NUMBER:** C14-2016-0027 – WhichCraft Beer Store - 2110 S. Lamar Boulevard, Suite F

# **REQUEST:**

C14-2016-0027 – WhichCraft Beer Store - District 5 – Approve second and third readings of an ordinance amending City Code Chapter 25-2 by rezoning property locally known as 2110 South Lamar Boulevard, Suite F (West Bouldin Creek Watershed) from commercial services (CS) combining district zoning to commercial liquor sales (CS-1) district zoning.

**DISTRICT AREA:** 5

**PROPERTY OWNER:** Charlie Tames

**APPLICANT:** City of Austin

**ISSUES:** CM Kitchen motioned to approve on 1<sup>st</sup> Reading with direction for staff to work with the applicant and neighborhood to see if there was a suitable conditional overlay which would allow WhichCraft Beer Store to sell growlers avoiding a cocktail lounge use. After the hearing, Staff, Zilker Neighborhood Association (ZNA) and the applicant met and indicated agreement to the provisions described in Exhibit A (Attached).

**DATE OF FIRST READING/VOTE**: May 13, 2016/Approved 11-0.

May 19, 2016 – POSTPONED TO JUNE 16, 2016.

**ASSIGNED STAFF**: Andrew Moore **PHONE**: 512-974-7604

**EMAIL:** andrew.moore@austintexas.gov

# **EXHIBIT A**



# City of Austin Founded by Congress, Republic of Texas, 1839

Planning and Development Review Department One Texas Center, 505 Barton Springs Road 5th Floor P.O. Box 1088, Austin, Texas 78767 Jerry.Rusthoven@austintexas.gov (512) 974-3207

May 19, 2016

Charlie Tames Central Avenue Partners, LP P.O. Box 302634 Austin, TX 78703

Dear Mr. Tames,

The City of Austin Planning and Zoning Department staff agreed to request a City initiated zoning case (C14-2016-0027) for the property located at 2110 S. Lamar Blvd, Suite F and occupied by the Whichcraft beer store because a permit was approved by City staff based upon an incorrect zoning district shown on a City map. City staff agreed to recommend a zoning category that will allow for the existing business to continue operation but not grant further entitlements.

Discussions with your representative indicated a desire by the owner of Whichcraft to add the sale of growlers to his business model. The City staff and members of the Zilker Neighborhood Association were not opposed to the growler concept. However, there was some concern that sale of the growlers would require the business to be classified as a cocktail lounge by the City in order for a TABC permit. For this reason the City staff did not recommend the prohibition of a cocktail lounge as a conditional use with the zoning case. The intention was to place restrictions on the property at the time of the conditional use permit to restrict the cocktail lounge use to the sale of growlers only and not have on site consumption of alcohol.

City staff reached out to the TABC and discovered there are three TABC permits that allow for the sale of growlers. One is for brewpub (BP) which is irrelevant. The second two are for a Wine and Beer On-Premise permit (BG) or a Retailer's On-Premise license (BE). The difference between these permits was that one required beer be less than 5% alcohol by volume and the second allowed for the sale of stronger beer. Both permits require "adequate seating" per TABC regulations.

At the first reading of the zoning case at City Council the discussion focused on the agreement by all parties (City staff, neighborhood representatives and of course the owner of Whichcraft) that the sale of growlers was not a concern. The neighborhood

# **EXHIBIT A**

maintained their position that they would like a prohibition of the cocktail lounge use. It was stated that a cocktail lounge use would be difficult on this site due to a lack of parking. It was also stated that City Code requires a restaurant use to have a kitchen and adequate parking, both of which would also be difficult on this site due to its small size and lack of on site parking. The City Council passed the case on first reading without additional restrictions but Council Member Kitchen asked both sides to try to find a way to allow for the beer store to continue and add the sale of growlers but prohibit the cocktail lounge use.

After the Council meeting concluded we discussed in the back of the chambers an alternative solution. At that time all parties seemed to agree that with the following conditions all parties would be satisfied:

- 1. The Whichcraft store would place some seating in the store to satisfy the TABC requirement.
- 2. The City would not consider the seating to cause the store to be classified as a restaurant and thus not triggering additional City regulations.
- 3. The City would allow for the sale of growlers for off site consumption and would not consider this to be a cocktail lounge use.
- 4. The property owner would not object to a prohibition of the cocktail lounge use.
- 5. The City would sign off on the TABC permit application after the zoning is approved.

Sincerely,

Jerry Rusthoven, AICP

Manager

**Current Planning Division** 

#### **ZONING CHANGE REVIEW SHEET**

**CASE**: C14-2016-0027 – WhichCraft Beer Store **P.C. DATE**: April 12, 2016

ADDRESS: 2110 S. Lamar Boulevard, Suite F

**DISTRICT AREA:** 5

**OWNER:** Charlie Tames

**APPLICANT**: City of Austin

**ZONING FROM:** CS **TO:** CS-1 **AREA:** .025 acres (1107 sq ft.)

#### **SUMMARY STAFF RECOMMENDATION:**

Staff recommends commercial – liquor sales (CS-1) district zoning.

## PLANNING COMMISSION RECOMMENDATION:

April 14, 2016: APPROVED STAFF RECOMMENDATION OF CS-1 ON CONSENT. VOTE: 12-0, (MOTION BY J. SCHISSLER,  $2^{ND}$  J. VELA).

#### **CITY COUNCIL ACTION:**

May 12, 2016: APPROVED STAFF RECOMMENDATION OF CS-1 ON 1<sup>ST</sup> READING. VOTE: 11-0, (MOTION BY A. KITCHEN,  $2^{ND}$  D. ZIMMERMAN). May 19, 2016 – POSTPONED TO JUNE 16, 2016.

# **DEPARTMENT COMMENTS:**

At the May 12, 2016 Council hearing, Council Member Kitchen gave direction to Zoning Staff to work on a solution to allow WhichCraft Beer Store to serve "growlers." Staff, Zilker Neighborhood Association (ZNA) and the applicant met at the end of the hearing and indicated agreement to the provisions described in the Exhibit A (attached).

On January 12, 2016, the Planning Commission approved Staff's request to initiate a zoning case for a portion of the property located at 2110 South Lamar Boulevard. Specifically the 1107 square feet known as Suite F and currently occupied by WhichCraft Beer Store. The zoning request is from commercial services (CS) to commercial liquor sales (CS-1).

## Background

In March of 2014, WhichCraft Beer Store applied for and received approval for a site plan exemption and change of use to Liquor Sales. In April, 2014 it also received verification from the City of Austin for a TABC license. The basis for the approval was an erroneously labeled Geographic Information System (GIS) zoning map. In April of 2015, a member of the Zilker Neighborhood Association notified Planning and Zoning Department staff of the error and

the correction to the map was made. However, WhichCraft Beer Store continues to operate without the required zoning for the liquor sales use.

#### Zoning History

- -1959 2110 S. Lamar zoned Commercial Liquor Sales (C-1) (#590702A).
- -1966 Code Amendment eliminated C-1 citywide and replaced by Commercial Services (C) (#661103-B).
- -1973 Code Amendment reestablished C-1 however 2110 S. Lamar was not given that category at the time (#730920-C).
- -1984 Code Amendment replacing C with CS (#840301-S)
- -Between 2008-2014, 2110 S. Lamar was erroneously labeled as CS-1 on the GIS zoning map.

In order for WhichCraft Beer Store to operate, it will need the CS-1 designation. Because of the staff error based on the incorrect GIS zoning map, staff is recommending and requesting the zoning change for the footprint of the existing WhichCraft Beer Store only.

<u>ISSUES</u>: The applicant has stated his tenant's desire to sell "growlers" for off-site consumption. Members of the Zilker Neighborhood Association expressed their support for this but have requested a condition to prohibit cocktail lounge use. Cocktail lounge would be a conditional use and require a conditional use permit. The Texas Alcohol and Beverage Commission (TABC) considers the filling of growlers as on-site consumption but only allows them taken off-site from Brew Pubs and restaurants with the proper permit. As the TABC rules are currently written, WhichCraft Beer Store would not be allowed to sell growlers for off-site consumption.

#### **EXISTING ZONING AND LAND USES:**

|       | ZONING | LAND USES  |  |  |
|-------|--------|--|--|--|
| Site  | CS     | Mix of retail uses – barbershop, home furnishings, |  |  |
|       |        | nail salon, spa, beer store, swimsuits/clothing    |  |  |
| North | CS     | Restaurant, tattoo parlor, lingerie                |  |  |
| South | CS-V   | Restaurant under construction                      |  |  |
| East  | CS     | vacant   |  |  |
| West  | CS     | Vacant, retail, real estate office, hair salon     |  |  |

**NEIGHBORHOOD PLANNING AREA:** Zilker Neighborhood Planning Area

TIA or NTA: No

<u>WATERSHED</u>: West Bouldin Creek <u>DESIRED DEVELOPMENT ZONE</u>: Yes

<u>CAPITOL VIEW CORRIDOR</u>: No <u>HILL COUNTRY ROADWAY</u>: No

## **NEIGHBORHOOD ORGANIZATIONS:**

Austin Heritage Tree Foundation Austin Neighborhoods Council Barton Springs Heritage Association
Bike Austin
Friends of Austin Neighborhoods
Homeless Neighborhood Association
Preservation Austin
Save our Springs Alliance
Sierra Club, Austin Regional Group
South Central Coalition
South Lamar Business District
South Lamar Neighborhood Association
Zilker Neighborhood Association

**SCHOOLS:** Zilker Elementary, O'Henry Middle, Austin High

# **EXISTING STREET CHARACTERISTICS:**

| NAME ROW      |        | PAVEMENT | CLASSIFICATION | BICYCLE | CAPITAL |
|---------------|--------|----------|----------------|---------|---------|
|               |        |          |                | PLAN    | METRO   |
| S. Lamar Blvd | Varies | 60'      | Major Arterial | Yes     | Yes     |

<u>CITY COUNCIL DATE</u>: May 12, 2016 <u>ACTION</u>: Approved on 1<sup>st</sup> Reading (11-0).

**CASE MANAGER:** Andrew Moore **PHONE**: 512-974-7604

**EMAIL**: Andrew.moore@austintexas.gov

#### STAFF RECOMMENDATION

Staff recommends commercial – liquor sales – conditional overlay (CS-1-CO) district zoning

# **BASIS FOR RECOMMENDATION**

Zoning staff requested this zoning change to rectify a mapping error which allowed the current occupant (WhichCraft Beer Store) of this property to be permitted for a use not allowed in the existing zoning. The request will allow WhichCraft Beer Store to be compliant with zoning regulations.

NPZ Comprehensive Planning Review - Kathleen Fox 512-974-7877

CS to CS-1 (Liquor Sales)

This zoning case is located on the northeast corner of S. Lamar Boulevard and Oxford Avenue, on a property that is approximately .53 acres in size but only concerns .025 acres of this site. The property contains a one story mixed use commercial building, which includes a variety of commercial uses, including a beer shop. This rezoning is not located within the boundaries of an adopted neighborhood planning area but is within the South Lamar Combined Planning Area, in Zilker. Surrounding land uses includes residential uses to the north, vacant commercial land and an office supply store to the south, a restaurant to the

east, and a variety of commercial businesses to the west on Oxford Avenue. The proposal is to obtain CS-1 zoning for the existing beer store.

**Connectivity**: The building is located directly in front of a bus stop, and sidewalks are located on both sides of this busy corridor. The Walkscore for this area is 73/100, meaning most errands in this area can be accomplished on foot.

# **Imagine Austin**

According to the Imagine Austin Comprehensive Plan, this parcel is located along an Activity Corridor, which supports retail and commercial uses, including liquor/beer sales. Based on the comparative scale of this site relative to other nearby commercial uses located nearby, this case falls below the scope of Imagine Austin, which is broad in scope, and consequently the plan is neutral on this proposed rezoning.

NPZ Environmental Review - Mike McDougal 512-974-6380

- 1. The site is not located over the Edwards Aquifer Recharge Zone. The site is located in the West Bouldin Creek Watershed of the Colorado River Basin, which is classified as an Urban Watershed by Chapter 25-8 of the City's Land Development Code. It is in the Desired Development Zone.
- 2. Zoning district impervious cover limits apply in the Urban Watershed classification.
- 3. According to floodplain maps there is no floodplain within or adjacent to the project location.
- 4. Standard landscaping and tree protection will be required in accordance with LDC 25-2 and 25-8 for all development and/or redevelopment.
- 5. Based on COA GIS, no trees are located within the proposed rezoning area. At this time, site specific information is unavailable regarding other vegetation, areas of steep slope, or other environmental features such as bluffs, springs, canyon rimrock, caves, sinkholes, and wetlands.
- This site is required to provide on-site water quality controls (or payment in lieu of) for all development and/or redevelopment when 8,000 s.f. cumulative is exceeded, and on site control for the two-year storm.
- 7. At this time, no information has been provided as to whether this property has any preexisting approvals that preempt current water quality or Code requirements.

- TR1. Additional right-of-way maybe required at the time of subdivision and/or site plan.
- TR2. A traffic impact analysis was not required for this case because the traffic generated by the proposed zoning does not exceed the threshold of 2,000 vehicle trips per day. [LDC, 25-6-113]
- TR3. Existing Street Characteristics:

| Name     | ROW | Pavement | Classification | Sidewalks | Bike<br>Route | Capital<br>Metro<br>(within ¼<br>mile) |
|----------|-----|----------|----------------|-----------|---------------|--|
| S. Lamar | 90' | 60'      | Major Arterial | Yes       | Yes           | Yes                                    |

AWU-Utility Development Service Review - Neil Kepple - 512-972-0077

FYI: The site is currently served with City of Austin water and wastewater utilities. If new construction is proposed the landowner, at own expense, will be responsible for providing any water and wastewater utility improvements, offsite main extensions, water or wastewater easements, utility relocations and or abandonments required by the proposed land use. Depending on the development plans submitted, water and or wastewater service extension requests may be required. Water and wastewater utility plans must be reviewed and approved by the Austin Water Utility for compliance with City criteria and suitability for operation and maintenance. All water and wastewater construction must be inspected by the City of Austin. The landowner must pay the City inspection fee with the utility construction. The landowner must pay the tap and impact fee once the landowner makes an application for a City of Austin water and wastewater utility tap permit.

#### NPZ Site Plan Review - Scott Grantham - 512-974-2942

- SP 1 Site plans will be required for any new development other than single-family or duplex residential.
- SP 2 Any development which occurs in an SF-6 or less restrictive zoning district which is located 540-feet or less from property in an SF-5 or more restrictive zoning district will be subject to compatibility development regulations.

### **COMPATIBILITY STANDARDS**

- SP3 The site is subject to compatibility standards. Along the northeast, northwest, southeast, and portions of southwest property lines, the following standards apply:
  - No structure may be built within 25 feet of the property line.

- No structure in excess of two stories or 30 feet in height may be constructed within 50 feet of the property line.
- No structure in excess of three stories or 40 feet in height may be constructed within 100 feet of the property line.
- No parking or driveways are allowed within 25 feet of the property line.
- A fence, berm, or dense vegetation must be provided to screen adjoining properties from views of parking, mechanical equipment, storage, and refuse collection.
- For a structure more than 100 feet but not more than 300 feet from property zoned SF-5 or more restrictive, 40 feet of height are allowed plus one foot for each 10 feet of distance in excess of 100 feet from the property zoned SF-5 or more restrictive.
- An intensive recreational use, including a swimming pool, tennis court, ball court, or playground, may not be constructed 50 feet or less from adjoining SF-3 property.
- Additional design regulations will be enforced at the time a site plan is submitted.

AWU - Utility Development Service Review - Neil Kepple - 512-972-0077

FYI: The landowner intends to serve the site with City of Austin water and wastewater utilities. The landowner, at own expense, will be responsible for providing any water and wastewater utility improvements, offsite main extensions, water or wastewater easements, utility relocations and or abandonments required by the proposed land use. Depending on the development plans submitted, water and or wastewater service extension requests may be required. Water and wastewater utility plans must be reviewed and approved by the Austin Water Utility for compliance with City criteria and suitability for operation and maintenance. All water and wastewater construction must be inspected by the City of Austin. The landowner must pay the City inspection fee with the utility construction. The landowner must pay the tap and impact fee once the landowner makes an application for a City of Austin water and wastewater utility tap permit.