



CRAFT BREWING, DISTILLERIES, AND WINERIES  
LAND DEVELOPMENT CODE AMENDMENT  
STAFF REPORT

SUMMARY

Owner	Description of the Request:	Public Comment
<p>N/A</p> <p><b>Applicant</b> City of Orlando</p> <p><b>Project Planner</b> Jason Burton, AICP</p>	<p>Land Development Code Amendment, Section 58.913, to create a specific accessory service use standards to allow craft brewing, distilleries, and wineries up to 50% of the floor area as an accessory use, in order to provide greater flexibility in supporting these uses.</p> <p><b>Staff's Recommendation:</b> Approval of the request.</p>	<p>Staff posted this item on the City's website, and place a classified ad in the Orlando Sentinel. No public comments have been received as of the date of the Staff Report.</p>

ANALYSIS

**Overview.**

Staff is proposing new specific accessory service use standards in Section 58.913, allowing an increased floor area proportion to accommodate craft brewing, distilleries, and wineries. Typically, the Zoning Official has the authority to approve accessory uses up to 25% of the floor area of a single building on a development site. In order to encourage these specific uses, which can be more intensive uses of the floor area of a building than 25%, staff is proposing the percentage would be increased to up to 50%. Additionally, other accessory uses that could be complimentary to these craft operations (restaurants, tasting rooms, and retail) could be approved in industrial zoning districts where they are currently not allowed, up to the 50% standard.

**Current Accessory Use Philosophy.**

Orlando has been forward thinking since 1985, providing mixed use zoning districts and an activity center concept as part of our Growth Management Plan and consolidated land development code. This is a departure from "Euclidean" zoning which separates uses. The City has been attempting to promote the integration of uses to allow more urban forms of development, reduce vehicular miles traveled, and provide for a better quality of life. The code was further refined in 1991 to provide for accessory service uses, giving the zoning official the flexibility to approve uses not typically found in a zoning district, so long as they serve the principal use on the site. To date, the accessory service uses, combined with simplified land use categories (personal services, light industrial, etc.), have evolved to provide flexibility in accommodating various uses in the zoning code that are not specified without requiring wholesale changes to the Land Development Code. At this time, the City is seeking greater flexibility to recognize and accommodate craft brewing and like uses, as these uses may consume more floor space than typical accessory uses.

**Craft Brewing Movement.** There has been revival of locally based breweries and distilleries crafting small batches of alcoholic beverages that is proliferating in the United States. This revival is associated with the "locavore" movement (farm-to-table, locally sourced ingredients, etc.). Our existing land development code and state laws are set up to recognize larger manufacturers of alcohol and can inadvertently prohibit these uses, typically classifying them as industrial uses. Such local breweries and distilleries can have a large contribution towards a city's tourism & nighttime economy; specifically for Orlando, they could also entice more visitors to our City.

Craft Brewing can take many forms of production, typically utilizing traditional ingredients, and small production processes:

- ◆ *Brewpubs.* A restaurant that crafts its own beer on-site for on-site consumption.
- ◆ *Microbreweries.* A small brewery (typically less than 15,000 barrels a year) which may have an associated tasting room/bar.
- ◆ *Nanobreweries.* A solo operation that brews a single batch at a time.

In addition to craft brewing, traditional ingredients and small batch production are also utilized by micro-distilleries and wineries. It is the City's intent to accommodate the emerging craft brewing movement, as well as these related distillery and winery uses.

#### **Economic Impacts of Craft Brewing (and like uses).**

Several cities are now famous craft brewing destinations and are sought out specifically for that reason:

- ◆ Asheville, NC is now known as the craft-brewing center of the Southeast United States, with over 18 craft breweries.
- ◆ San Diego, CA is enjoying a renaissance with 19 brewpubs and 24 microbreweries in the City alone, where it collectively generated \$300M in documented economic activity in 2011.
- ◆ Cities like Portland, OR (58 micro breweries) and Fort Collins, CO have utilized craft brewing to revitalize older industrial areas. Other cities, such as Richmond, VA, are actively enticing craft brewers by providing incentives.

Cities and regions compete for a young, educated, high-wage workforce. These demographic groups are seeking locales that have a vibrant night-life scene, and companies are following these workers. Craft brewing, winery, and distillery uses, are adding to the diversity of a cities' entertainment offerings aimed at attracting knowledge workers. These uses can also greatly add to the quality of life and culture of a city. Companies are even relocating to cities with a proliferation of these uses and a knowledge-based workforce, to which Orlando aspires. Sometimes, a lively craft brewing scene can be an indicator of a local culture and quality of life, which can possibly outweigh more direct economic development incentives. Finally, such uses attract a wide range of age and social groups; typical age ranges attracted by such uses can be more diverse than those found at current night-life offerings found in Downtown and throughout the City.

There are several potential benefits to better accommodating these uses:

- ◆ Greater *business flexibility*— can add to a diversity of night-time offerings and attract a more mature clientele over the current nightclub/bar scene.
- ◆ Potential to *increase visitors* to urban Orlando seeking out breweries/micro-distilleries.
- ◆ Allows Orlando to better *complete with other cities* already building upon a culture of micro-breweries and similar businesses (Asheville, San Diego, Portland, etc.).

#### **Analysis.**

The following specific changes are proposed to the City's accessory service rules to accommodate the craft brewing trend:

*Add a specific Accessory Service Use rule.* Unlike most zoning codes, Orlando's LDC allows for accessory uses up to 25% of the floor area; however, craft brewers may need to allocate up to 50% of their floor area to sustain production. Therefore, it is proposed that these proportions be increased to accommodate the trend. Likewise, brewpubs in industrial areas may need up to 50% of their area for a restaurant use (a use not typically allowed in the industrial zoning district). Further rules will limit production for craft brewing to 15,000 barrels/year for beer, 100,000 gallons for microwineries, and 15,000 gallons for micro distilleries based on a review of comparable cities' codes that entice these types of uses.

*Categorize craft breweries* (on Figure 3, LDC), according to the majority of the floor area it represents such as "restaurant" for brewpubs in a commercial zoning district or a "light-industrial use" for a microbrewery with a restaurant in an industrial zoning district.

*Restrict hours.* Allow the above accessory use standards for microbrewing to only apply to operations that close at midnight so that these uses don't inadvertently disturb business districts or nearby residential uses, which occur frequently within our Main Street areas that are likely to accommodate most of the craft brewing trend. However, within the Downtown Entertainment Area (between Colonial, Anderson, Hughey and the Rosalind/Magnolia corridor) and Main Street Districts, where entertainment operations are concentrated and are integral to the character of the area, and can be managed by the City's resources (police, noise, etc), such uses would be allowed to operate similar to normal hours of operations for alcohol serving establishments found in Section 33.03 of the code (close doors and stop serving at 2:00 AM, consumption stops at 2:30 AM, lights out at 3:00 AM).

*Parking Requirements* would be counted according to the split of each individual use on a development site; where manufacturing provides 1.5/1,000 and eating/drinking establishments provide 5.0/1,000 square feet. This provides adequate parking resources for these popular uses in sometimes constrained Main Street areas of the City.

A draft code amendment is below, subject to final review and approval by the City Attorney's Office.

**Findings.**

In review of the proposed LDC amendment, it is found that:

1. The proposed Land Development Code amendment is consistent with the State Comprehensive Plan (Chapter 187, Florida Statutes).
2. The proposed Land Development Code amendment is consistent with the East Central Florida Strategic Regional Policy Plan.
3. The proposed Land Development Code amendment is consistent with the provisions of Chapter 163, Part II, Florida Statutes.
4. The proposed Land Development Code amendment is consistent with the objectives and policies of the City's adopted Growth Management Plan (GMP).

**Recommendation.**

Staff recommends approval of the proposed amendment to the Orlando Land Development Code.

**Draft Code Language.****Sec. 58.913 Specific Accessory Service Uses**

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Microbreweries, microwineries, craft distilleries and brewpubs. Manufacturing operations that produce alcoholic beverages for on-site consumption and off-site sales, and related uses, may be allowed as an Accessory Service Use via Zoning Official determination for the following:

1. Up to 50% of the floor area in a non-residential zoning district for a microbrewery, microwinery, craft distillery or brewpub (or any combination thereof); or
2. Up to 50% of the floor area may be allowed as a restaurant, tasting room, or retail operation (or any combination thereof) in an industrial zoning district.

However, such uses are limited to the following:

1. Up to 15,000 barrels/year for micro breweries and brewpubs, 100,000 gallons for micro-wineries, and 15,000 gallons for micro-distilleries.
2. Such uses utilizing this sub-section are not allowed to be open to the public between the hours of midnight and 6 AM. However, those sites utilizing this sub-section within the Downtown Entertainment Area as defined by Chapter 42.07(6) and Orlando Main Street Districts as defined by Chapter 64.321 may have expanded hours and close according to Chapter 33.03.
3. Parking and other requirements for these uses must be correctly provided on the subject site according to Part 3 of Chapter 61, Parking and Loading (e.g. the Eating/Drinking portion of the establishment provides 5.0 space/1,000 square feet and the Manufacturing & Processing operations provide 1.5 spaces/1,000 square feet).
4. The use shall be classified, for the purposes of Figure 3 in Chapter 58, according to the use which constitutes the majority of the floor area (e.g. a brewpub that has a restaurant use and a craft brewing operation in a commercial zoning district where the use devotes the greatest amount of space to a restaurant shall be classified as a restaurant).