

TEXT AMENDMENT REVIEW
PC15-18-04 Elmwood Township
Zoning Ordinance Amendment – Distilleries & Tasting Rooms

Reviewing Entity: Leelanau County Planning Commission
Date of Review: September 25, 2018

Section 1: General Information

<i>Date Request Received:</i>	September 14, 2018
<i>Last Day of Review Period:</i>	October 14, 2018
<i>Requested Action:</i>	Review and comment on proposed amendments to the Elmwood Township Zoning Ordinance RE: Distilleries and Associated Tasting Rooms in certain zoning districts.
<i>Applicant:</i>	Elmwood Township Planning Commission

Section 2: Proposed Text

The proposed amendment was submitted by email on Sept. 14, 2018.

See Attachment for submitted documents. Current text of the Elmwood Township Zoning Ordinance:
https://www.leelanau.cc/downloads/zo_final_as_amended_through_june_28_2018.pdf

Section 3: Other Planning Input

Township Plan: ~~*Township Plan:*~~ The current Township Master Plan (2018) does not specifically address the proposed amendments.

Leelanau General Plan: The Leelanau General Plan (2012) does not specifically address the proposed amendments.

Township Planning Commission:

A public hearing was held on August 21, 2018. Following the public hearing, the township planning commission passed a motion on a vote of 4-1 to recommend approval to amend the township zoning ordinance to allow distilleries and associated tasting rooms in certain zoning districts, specifically to allow distilleries and tasting rooms in the A-R District. (*see attached minutes from the Public Hearing.*)

Section 4: Analysis			
1. Compatibility	Yes	No	NA
A. Is the proposed text compatible with other language in the zoning ordinance?	X		
B. Are there any issues with the proposed text (such as poor wording, confusing text, unenforceable language, etc.)?		X	
C. Do the land uses or other related dimensional standards (height, bulk, area, setback, etc.) in the proposed text amendment(s) conflict with the existing zoning ordinance?		X	
2. Issues of Greater Than Local Concern			
A. Does the proposed text amendment(s) include any issues of greater than local concern? Please list.		X	
3. Comparison with Local Plans or Ordinances			
A. Do the contents in the proposed text amendment(s) conflict with the community's plan? Please list.		X	
4. Comparison with County Plans or Ordinances			
A. Do the contents in the proposed text amendment(s) conflict with the General Plan? Please list.		X	

Section 5: Staff Comments

At the May 15, 2018 Elmwood Township Planning Commission meeting, Chris Fredrickson of Traverse City Whiskey Company, TCWC Holding Company, LLC requested adding spirit tasting rooms to the Zoning Ordinance. Township staff worked on some language which was on the agenda at subsequent planning commission meetings, with a Public Hearing held on August 21 2018. The township planning commission has recommended approval of the proposed amendments.

The proposed amendments will:

- Add definitions for 'Distillery' and 'Distillery Tasting Room'
- Amending Section 5.4 to allow Distillery Tasting Rooms as a Commercial Related Use. These will be allowed by Special Use Permit in the Agricultural-Rural (A-R) zoning district, and by Site Plan Review with Planning Commission approval in the General Commercial, Light Industrial, and Shoreline Commercial zoning districts.
- Add K. Distillery Tasting Room to Section 9.8 Additional Requirements for Certain special Land Uses with requirements 1. Thru 12.

Staff reviewed the definitions and notes that the definition for 'Distillery' is the same as the definition listed in the Bingham Township Zoning Ordinance. The definition for 'Distillery Tasting Room' is similar to definitions used for Tasting Room as it relates to a winery or brewery.

The amendment shows Section 5.4 being changed to add "**48. Distillery Tasting Rooms**" under Commercial Related Uses. However, the zoning ordinance on the township website has 48. As 'Drive-In/Drive Thru Business followed by uses numbered 49 through 53. If none of these uses have been deleted, this section may need to be re-numbered.

The newly proposed Item K.2 requires a minimum 10 acre parcel for a Distillery Tasting Room. While the proposed amendments would apply to any properties meeting the zoning ordinance requirements, TCWC made the original request for the change. TCWC Holding Company is shown on the county tax rolls as owning two (2) properties in Section 8 of Elmwood Township (over 26 acres), as well as a property in the Industrial park area in Section 35 of Solon Township off S. Robinson Rd.

Items 1. thru 12. spell out requirements for parcel size, setbacks, hours of operation, food service, sound, lighting, and parking.

CHARTER TOWNSHIP OF ELMWOOD
Leelanau County, Michigan

Ordinance No. _____
ZO 2017-04-03

AN ORDINANCE TO AMEND THE TOWNSHIP ZONING ORDINANCE, IN ACCORDANCE WITH THE PROVISIONS OF THE MICHIGAN ZONING ENABLING ACT, ACT 110 OF THE PUBLIC ACTS OF 2006, AS AMENDED [MCL 125.3101 ET SEQ.], TO ALLOW DISTILLERIES AND ASSOCIATED TASTING ROOMS IN CERTAIN ZONING DISTRICTS.

The Charter Township of Elmwood Ordains:

Section 1: Amendment.

Section 2.2 Definitions

Distillery- An establishment licensed by the State of Michigan as a Small Distiller.

Distillery Tasting Room- A Michigan licensed room used in conjunction, as an accessory use, with a distillery where a spirit is produced on-site, may be consumed or purchased.

SECTION 5.4 LAND USE AND ZONING DISTRICT TABLE (Alphabetical; Renumber accordingly)

Commercial Related Uses	A-R	R-1	R-2	R-3	MHP	MC	NC	GC	LI	SC	RR
48. Distillery Tasting Rooms	SUP							Psp	Psp	Psp	
58. Microbreweries/Distilleries regulated by Michigan Liquor Control Commission	Psp							Psp	Psp	Psp	
P=Zoning Administrator approval, Psp=Site Plan Review with Planning Commission approval, SUP=Special Use Permit											

SECTION 9.8 ADDITIONAL REQUIREMENTS FOR CERTAIN SPECIAL LAND USES

K. Distillery Tasting Room

The Township would like to encourage agriculturally related uses while preserving neighboring property owners' enjoyment of their land. Tasting rooms are permitted at distilleries provided that the proposed distillery tasting room complies with the following requirements:

1. The distillery is licensed or will be licensed prior to occupancy by the appropriate Federal, State, and Local agencies.

2. The parcel shall have a minimum of 10 acres.
3. The distillery is operated according to generally accepted agricultural management principles and the parcel shall have a minimum of five (5) planted acres of crop that is used for the on-site production of spirits unless the Planning Commission determines that a different minimum is more appropriate to meet the standards of Section 9.3 for the reuse of existing commercial structures.
4. Tasting rooms shall not exceed two and one-half (2.5) percent of the lot area.
5. Setbacks shall be:
 - a. For any tasting room that adjoins a parcel where there is a residence, all tasting room structures and facilities shall be located at least 100 feet from the property line that adjoins a residence, and speakers and sound amplifiers shall be located at least 250 feet from the property line that adjoins a residence.
 - b. For any tasting room that adjoins a parcel where there is a residence, if the residence is within 500 feet of any tasting room structure, there shall be a fence along the property boundary line that adjoins the residence to discourage trespass.
6. The maximum size of tasting room shall be 2000 sq ft.
7. The hours of operation shall be between the hours of 10 am and 10 pm unless the Planning Commission determines that different hours are more appropriate to meet the standards of Section 9.3.
8. Retail sales and food service must be clearly accessory to production of the spirit being processed on-site. The tasting room may offer food service provided:
 - a. The area for serving food shall seat no more than twenty (20) patrons at one time.
 - b. Sale of food shall not exceed 10% of gross sales of licensed products. At the request of the Township, the business shall provide supporting documentation to the Township verifying compliance with this section. This section does not limit the Township's ability to make documentation request in any other sections of the Zoning Ordinance.
 - c. Food service items shall be limited to appetizers and small plates. Carry-out foods are prohibited.
 - d. Distillery shall be licensed to prepare and serve food by the appropriate Health Agency.
9. Amplified sound (including amplified music) shall be contained indoors and shall not exceed reasonable volumes, so as to avoid disturbance to any neighboring residents.
10. Lighting shall comply with Section 6.5.

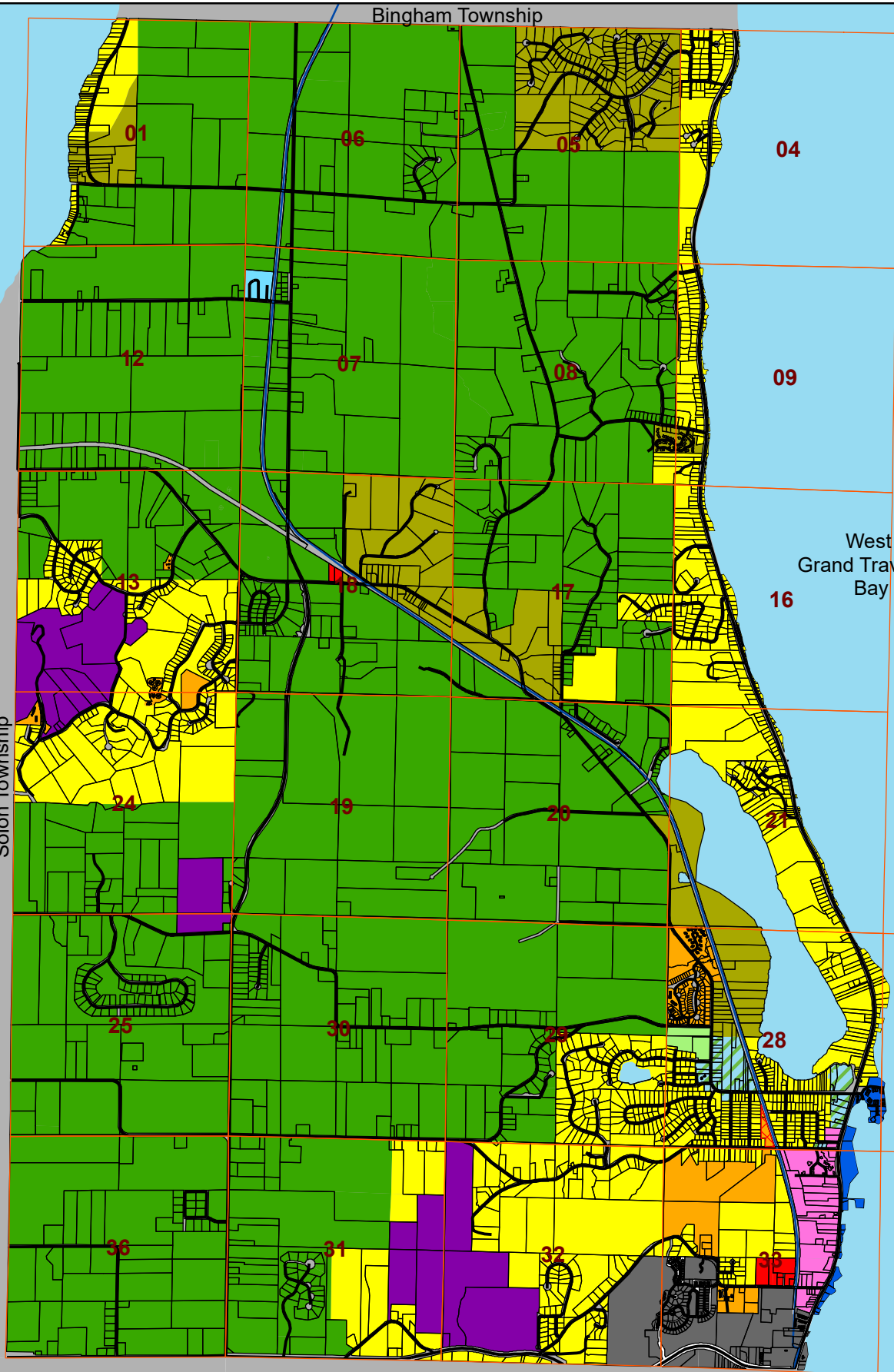
11. Any alcoholic beverages consumed or sold on-site must be produced on-site.
12. On-site parking shall be designed and constructed according to Article 6.

Section 2: Severability.

If any sections, clause, or provision of this Ordinance is declared unconstitutional or otherwise invalid by a court of competent jurisdiction, said declaration shall not affect the remainder of the Ordinance. The Township Board hereby declares that it would have passed this Ordinance and each part, section, subsection, phrase, sentence and clause irrespective of the fact that any one or more parts, sections, subsections, phrases, sentences or clauses be declared invalid.

Section 3: Effective Date.

This Ordinance shall become effective eight (8) days after publication.



CHARTER TOWNSHIP OF ELMWOOD

Zoning Districts

■ Agricultural - Rural (A-R)	■ Manufactured Home Park (MHP)	■ General Commercial (GC)	■ Conditional Rezoning
■ Residential 1 (R-1)	■ Rural Resort (RR)	■ Light Industrial (LI)	
■ Residential 2 (R-2)	■ Municipal Center (MC)	■ Shoreline Commercial (SC)	
■ Residential 3 (R-3)	■ Neighborhood Commercial (NC)	■ Traverse City	

Official Zoning Map
September 1, 2017

**Charter Township of Elmwood
Planning Commission
Regular Meeting
August 21, 2018
7:00 PM**

A. CALL TO ORDER: Chairman Bechtold called the meeting to order at 7:00 PM.

B. PLEDGE OF ALLEGIANCE: Chairman Bechtold led the Pledge of Allegiance.

C. ROLL CALL: DOUG ROBERTS, KYLE TREVAS, RICK BECHTOLD, JEFF APRILL, REID JOHNSTON

Excused: AMANDA ELLIOTT, GEORGE PREWITT

D. ELECTION OF OFFICERS: NOMINATION BY COMMISSIONER TREVAS, SECOND BY COMMISSIONER APRILL, TO ELECT RICH BECHTOLD AS CHAIR. APPROVED UNANIMOUSLY.

NOMINATION BY COMMISSIONER ROBERTS, SECOND BY COMMISSIONER TREVAS, TO ELECT JEFF APRILL AS VICE CHAIR. APPROVED UNANIMOUSLY.

NOMINATION BY COMMISSIONER BECHTOLD, SECOND BY COMMISSIONER APRILL, TO ELECT GEORGE PREWITT AS SECRETARY. APPROVED UNANIMOUSLY.

E. PUBLIC COMMENT: None

F. AGENDA MODIFICATIONS/APPROVAL: Chairman Bechtold noted there was a new item under New Business, Item 5: Tandem Ciders.

MOTION BY COMMISSIONER APRILL, SECOND BY COMMISSIONER ROBERTS TO APPROVE AGENDA AS MODIFIED. MOTION PASSED UNANIMOUSLY.

G. MINUTES: JULY 17, 2018

MOTION BY COMMISSIONER APRILL, SECOND BY COMMISSIONER TREVAS, TO APPROVE MINUTES OF JULY 17, 2018 AS PRESENTED. MOTION APPROVED UNANIMOUSLY.

H. CONSENT CALENDAR:

- 1. Planner's Report-July**
- 2. Leelanau County Planning Commission comments on Utility Solar Energy Amendment**

MOTION BY COMMISSIONER ROBERTS, SECOND BY COMMISSIONER TREVAS, TO RECEIVE AND FILE THE CONSENT CALENDAR. MOTION APPROVED UNANIMOUSLY.

I. DECLARATION OF CONFLICT OF INTEREST: None

J. OLD BUSINESS: None

K. NEW BUSINESS:

1. PUBLIC HEARING-ZO 2017-04-03-Zoning Ordinance Amendment Distilleries and related Tasting Rooms in A-R zoning district

Commissioner Bechtold read statement to open both public hearings.

Chris Frederickson 7131 E. Hoxie Rd., speaking on behalf of his company, Traverse City Whiskey. They submitted a request to amend an existing ordinance that would allow their company as recently purchased from the old Cherry Growers facility at 9440 S. Center Hwy. and their request is that the existing zoning ordinance is amended to allow a tasting room in addition to their distillery.

Staff, Commissioners, and the applicant had lengthy discussion about food being served and what type of food would be allowed. The Commissioners agreed they do not want it to turn into a restaurant.

Public Comment opened at 8:20 PM

Jack Kelly spoke on the topic stating it was a very interesting discussion about distilleries and whether to allow them in the Ag District or not. This would be a change and the ideas of repurposing old buildings that are no longer serving their former useful life is an admirable one thinking about but remember distilleries in Ag, you're allowing distilleries in Ag which is quite a difference if you take a look at your Zoning Ordinance now as it currently exists. He doesn't know anything about distilleries, but if you allow distilleries in the Ag for this one because you're repurposing a derelict building, he doesn't know if that's the best reason to be doing it. He thinks the other aspect of it, they need to take into account is, you've got wine tasting rooms, you're likely to have beer tasting rooms down the road and a spirit tasting room here. That's another aspect to the distillery altogether in itself, that too adds another commercial aspect.

Public Comment closed at 8:22 PM

MOTION BY CHAIRMAN BECHTOLD, SECOND BY COMMISSIONER APRILL, TO RECOMMEND APPROVAL OF ZO 2017-04-03, AN ORDINANCE TO AMEND THE TOWNSHIP ZONING ORDINANCE, IN ACCORDANCE WITH THE PROVISIONS OF THE MICHIGAN ZONING ENABLING ACT, ACT 110 OF THE PUBLIC ACTS OF 2006, AS AMENDED [MCL 125.3101 ET SEQ.], TO ALLOW DISTILLERIES AND ASSOCIATED TASTING ROOMS IN CERTAIN ZONING DISTRICTS, SPECIFICALLY TO ALLOW DISTILLERIES AND TASTING ROOMS IN THE A-R DISTRICT.

MOTION PASSED 4-1 WITH COMMISSIONER TREVAS VOTING NO.

2. PUBLIC HEARING-SU/SPR 2018-07 Centerpointe- Outdoor Boat Storage, Parcel #004-028-094-10

Dave Conrad 217 Franklin St. representing Centerpointe Marina and the Centerpointe building enlisting the services of Jack Kelly to help navigate the process for boat storage. The applicant is requesting a special use permit to allow for seasonal outdoor storage of boats and recreational vehicles. Currently the space is used as a parking lot but the applicant would like to convert the area to be for outdoor storage.

Public comment opened at 8:43 PM.

Dave Lemmen 10657 E. Pico Dr. questioned if snow would be dumped in the parking lot and will be happy to not have the noise if not.

Public comment closed at 8:45 PM.

Commissioners went through Standards for Approval.

MOTION BY COMMISSIONER APRILL, SECOND BY COMMISSIONER ROBERTS, TO APPROVE SU/SPR 2018-07 CENTERPOINTE OUTDOOR BOAT STORAGE, PARCEL # 004-028-094-10 WITH CONDITIONS. MOTION APPROVED UNANIMOUSLY.

3. CLU 2017-03 West Bay Yacht Hanger Extension Request

Staff reported the Planning Commission approved the conditional use and site plan for West Bay Yacht Hangers, after a public hearing, at the August 15, 2017 meeting. Approved conditional uses and site plans expire 1 year from approval unless an extension is granted. The Zoning Ordinance allows for the Planning Commission to extend the approval upon request. To grant an extension, the Planning Commission must find that any delays were beyond the control of the applicant, and that the applicant will complete substantial construction within the one (1) year extension period.

MOTION BY COMMISSIONER APRILL, SECOND BY COMMISSIONER TREVAS TO GRANT A ONE YEAR EXTENSION DUE TO WATER AND SEWER NOT BEING AVAILABLE DUE TO NO RESPONSE FROM THE CITY . MOTION APPROVED UNANIMOUSLY.

4. ZONING ORDINANCE REVIEW-Agricultural Commercial Enterprise

Chairman Bechtold asked for Commissioners approval to continue meeting past 9:00 PM. Approved.

Staff and Commissioners discussed the Zoning Ordinance Review and decided to put it on the agenda to review in September.

5. Tandem Ciders

Dan Young owner of Tandem Ciders gave some background on his current production of hard cider and his interest in the building at 9015 S. Lake Leelanau Dr. to use for juice production, fermentation, and packaging. Commissioners discussed the potential concept with Dan Young.

L. COMMENTS FROM THE CHAIR: Chairman Bechtold looks forward to serving as Chair for the next year and thanked Commissioners for their good dialogue and thoughtful comments.

M. COMMENTS FROM PLANNING COMMISSIONERS: Commissioner Aprill hopes Chairman Bechtold can make it to the regularly scheduled meetings so he won't have to fill in.

N. COMMENTS FROM STAFF: Staff noted the Solar Ordinance language was introduced at the Township Board and they will be considering it for adoption at their September meeting. There will be a joint Parks and Rec and Marina Committee meeting to review the redevelopment plans for the marina on September 12 at 6:00 PM which is the regular Park and Rec meeting. Also, Treasurer Debbie Street passed away and her Memorial Service will be Monday August 27th at 11:00 AM at West Bay Covenant Church.

O. PUBLIC COMMENT: Jack Kelly

P. ADJOURN: Meeting adjourned at 9:41 PM.