



PLANNING & ZONING COMMISSION MEETING
Tuesday, July 8, 2014
7:00 PM

1. CALL TO ORDER - ROLL CALL – ADOPT AGENDA

2. MINUTES

January 14, 2014 Planning and Zoning Meeting (pages 1-5)

3. PUBLIC HEARINGS

- a. Public Hearing to Consider a Zoning Text Amendment to Chapters 4600 and 4700 of the Albertville Zoning Code (Industrial Districts) Revising Setbacks, Building Coverage, and Building Heights (pages 6-9)

4. OTHER BUSINESS

- a. Discussion of Zoning Amendment for Breweries and Accessory Taprooms (pages 10-21)

5. ADJOURNMENT



City of Albertville
5959 Main Avenue NE
P. O. Box 9
Albertville, MN 55301
(763) 497-3384

**UNAPPROVED
PLANNING AND ZONING COMMISSION MINUTES
TUESDAY, JANUARY 14, 2014**

1. CALL TO ORDER:

Vice Chair Edgren called the meeting to order at 7:00 p.m.

2. ROLL CALL:

Present: Vice Chair Edgren, Commissioner Jeffrey O'Brien, Commissioner Natalya Lindberg, and Mark Barthel

Absent: Commissioner Brian Totman, Council Liaison Dan Wagner

Staff members present: Alan Brixius and Sue Schwalbe

Others Present/Public: Nathan Jones, Scott Dahlke, Civil Engineering Site Design

3. APPROVAL OF AGENDA

O'Brien moved, second by Barthel to approve the agenda as submitted. Motion carried unanimously.

4. APPROVAL OF MINUTES

O'BRIEN moved, second by Lindberg to approve the minutes of the December 10, 2013 Planning Commission Minutes

Motion carried unanimously.

5. PUBLIC HEARINGS

- a. Public hearing to consider Hunters Pass Estates 2nd Addition Preliminary Plat, Final Plat and PUD.

Alan Brixius presented the planning report dated 01-09-14 to the Commission for their consideration.

The entire Hunters Pass Estates development consists of 95 single family lots on 76.6 acres of land in the northeast corner of Albertville. Sixty-three single family lots were developed in Phase I of the development. Tollberg Homes is now proposing to develop an additional 12 lots. The site is zoned R-1A (PUD). Protection of wetland areas associated with Hunters Lake is a priority for the subdivision and impacts how the development approaches side and rear setbacks, lot area, lot width, street right-of-way width, and street width requirements.

The applicant is proposing a single family subdivision utilizing a coving design that integrates with the site's natural features. The City Engineer has recommended lots in Blocks 2 and 3 of Hunters Pass Estates Phase II be reduced in size from that approved with the original plat to allow space for the required 20 foot wetland buffer area to be external to lots and within Outlot A. All homes shall be designed to allow decks and porches to fit within the required adopted building setbacks.

Commissioner O'Brien stated he will abstain from voting as he is the attorney for the Hunters Pass Estates Home Owners Association; however he will take part in discussion.

Vice Chair Edgren then opened the Public Hearing.
As no comments were made the Public Hearing was closed.

Lindberg moved, second by Barthel to approve the Hunters Pass Estates 2nd Addition Preliminary Plat, Final Plat and PUD with the following conditions:

- The applicant shall install and maintain wetland demarcation signage at the boundaries of the wetland buffer. The sign design and sign locations shall be approved by the City Engineer.
- The applicant shall provide a landscape plan illustrating a vegetative buffer planting along the northern border of the site, between Phase II lots and 70th Street. In addition, one shade or evergreen tree must be planted per residential lot, which will be required as part of the development agreement. All other plantings shall adhere to the landscape plan approved with the final plat for the Hunters Pass Estates PUD in 2005.
- Provide a park dedication fee totaling \$3,300.00 per individual lot. The terms of payment shall be incorporated into the Hunters Pass 2nd Addition PUD development agreement.
- The applicant shall adhere to established architectural standards (design guidelines) for the Hunters Pass subdivision, as adopted by the Hunters Pass Estates Homeowners Association. The architectural guidelines shall be amended to stipulate that all decks and/or porches shall be designed to fit within the approved PUD building setbacks.
- Following final plat approval, the entire plat shall be brought into the Hunters Pass Estates HOA at the time of recording, and the developer and Phase II homeowners shall adhere to the HOA declarations, bylaws and rules, and any addendums to said standards.
- The applicant is required to enter into a PUD agreement that demonstrates that Hunters Pass Estates Phase II will implement and adhere to all conditions provided in the original Hunters Pass Estates PUD agreement.
- All homes must be constructed at least three feet above Hunters Lake's OHWL of 947.3 low floor elevation for all homes in the proposed development must be at 950.3 feet in elevation or higher.

- The applicant shall comply with the recommendation of the January 7, 2014 City Engineers memo.

Motion carried unanimously with O'Brien abstained.

- b. Public Hearing to consider an Amendment to Chapter 4 of the Albertville City Code, Transient Merchant Licenses, Addressing Food Trucks.

The City has recently experienced requests from food truck vendors to be able to operate in the community. City Ordinance does not currently provide standards specific to the regulation of food trucks, which have thus far been allowed to operate under a transient merchant license (City Code Chapter 4) and a temporary outdoor seasonal sales permit (Zoning Ordinance Section 1000.22). Food trucks are not required to rent or purchase property to conduct their sales, but will compete against established taxpaying restaurants that have invested in Albertville real estate. Staff recommends the transient merchant code and not outdoor seasonal sales.

Vice Chair Edgren opened the public hearing.
As no comments were made the public hearing was closed.

Commissioner O'Brien requested the setbacks be reduced from 300 feet to 200 feet and this should be measured from building to vehicle which is a walking distance.

Commissioner O'Brien stated he would like wording to specifically state "criminal background check".

Commissioner O'Brien stated that allowing mobile food units will meet Albertville's goal of promoting a variety of food options and a Mobile Food Unit can transform into a brick and mortar business.

O'Brien moved second by Edgren to amend Albertville City Code Chapter 4 Peddlers, Solicitors, and Transient Merchants should be amended to provide a definition for mobile food units and to establish additional specific regulations for mobile food units applying for a transient merchant license. Mobile food units should adhere to all general transient merchant regulations provided in Chapter 4.

Motion carried and roll call vote:

Edgren: Yes

O'Brien: Yes

Lindberg: Yes

Barthel: Nay

Motion carried.

Commissioner Barthel indicated he voted nay as he is opposed to food trucks and believes the City of Albertville needs to accommodate established restaurant businesses.

- c. Public Hearing to Consider an Amendment to Chapter 1600 of the Albertville Zoning Code Pertaining to Home Occupations.

Alan Brixius presented the planning report dated 01-09-14 to the Commission for their consideration.

A review of the ordinance found inconsistencies between ordinance sections as they relate to residential daycare. Given that there are currently 40 residential daycare providers in Albertville and the Zoning Ordinance contains conflicts regarding this use, the City needs to determine how to proceed with permitting requirements for residential daycare providers.

These changes will allow for existing home occupation uses (including home daycare) to continue and be subject to performance standards, reduce the requirements for home occupations that have little or no impact on adjacent properties, and provide for additional regulatory oversight for home occupations that may have a greater land use impact in residential neighborhoods. These changes will also then be constant with County regulations.

Vice Chair Edgren opened the public hearing.
As no comments were made the public hearing was closed.

The Commissioners questions Brixius if the City will lose any amount of review with these changes. Brixius responded no as these changes will clean up many issues, concerns and violations.

Barthel moved, second by O'Brien to add the following language:

- Add language to the definition of “daycare facilities” to reference State rule definitions for added clarity.
- Allow state licensed daycare facilities serving 14 or fewer person in a single family dwelling as a permitted accessory use in all residential districts subject to standards outlined in Section 1600.4A and B (this section should be amended to allow hours of operation to begin at 6:00 a.m. to allow for early drop off times). This will provide for congruence with State licensure capacity standards and address potential land use impacts in residential neighborhoods. State licensing of residential daycare facilities does not permit more than 14 children and a license at that capacity requires two caregivers. Daycare facilities serving more than 14 children are considered center based child care by the State and would be required to be located in commercial districts in the City.
- Allow all other listed permitted home occupations as permitted accessory uses in all residential districts, without requiring a permit or fee, subject to the standards outlined in Section 1600.4.A. and B. These very low intensity uses include: art studio, dressmaking, secretarial services, foster care, professional offices and teaching with musical, dancing and other instructions which consists of no more than one pupil at a time, and similar uses. These uses do not seem to rise to the level of needing a permit with administrative review.
- Remove the requirement for a conditional use permit for special home occupations in Section 1600.3.B and issue permits for these uses administratively with a \$30 license fee. The uses

identified as special home occupations barber and beauty services, daycare-group nursery, photography studio, group lessons, saw sharpening, small appliances and small engine repair) may have greater impacts on adjacent properties and should be subject to staff review, but do not rise to the level of requiring Planning Commission and City Council review and higher permit fees.

- These changes will allow for existing home occupation uses (including home daycare) to continue and be subject to performance standards, reduce the requirements for home occupations that have little or no impact on adjacent properties, and provide for additional regulatory oversight for home occupations that may have a greater land use impact in residential neighborhoods. These changes will also then be constant with County regulations.

Motion carried unanimously.

4. OTHER BUSINESS

a. 2014 Planning Goals

Alan Brixius presented the planning report dated 01-09-14 to the Commission for their consideration.

The Commissioners reviewed and discussed the completed 2013 staff items.

Commissioner O'Brien stated a pedestrian bridge across Labeaux Avenue NE would be a huge improvement to the Outlet Mall and would like to see a brewery/tap room/restaurant in the Minnesota Lighting Building.

Commissioner Barthel stated he would like to see the Outlet Mall pedestrian access improved and County Road 19 improved.

Commissioner Lindberg would like to see the City construct a public swimming pool.

Vice Chair Edgren stated he would like to see more restaurants in Albertville.

O'Brien moved, second by Barthel to adjourn meeting at 8:30 p.m.

Sue Schwalbe, Recording Secretary



MEMORANDUM

TO: Adam Nafstad
FROM: Emily Shively / Alan Brixius
DATE: June 4, 2014
RE: Albertville – Industrial District Amendments
FILE: 163.05 – 14.07

BACKGROUND

Recent development proposals in Albertville’s industrial districts have prompted a closer look at the Zoning Ordinance performance standards in the I-1, Limited Industrial and I-2, General Industrial districts. This review is focused on determining whether the existing requirements related to standards such as setbacks, building height, and building coverage produce desired outcomes or if changes may provide greater flexibility in attracting new industrial development, expansion, and redevelopment in the City.

ISSUES

Building Height. The ordinance sets a maximum building height for principal structures in all zoning districts at 35 feet. Industrial buildings often require higher ceilings, multiple stories, or exterior building equipment that may exceed the district height limit. Allowing for additional height would provide more flexibility for industries choosing to locate or expand in Albertville.

Albertville allows for additional height over district standards via conditional use permit. This provides an opportunity to consider potential land use impacts of a taller structure. However, it is appropriate to permit buildings up to 45 feet in height and then require a conditional use permit for structures exceeding that maximum.

Building Setbacks. The ordinance currently requires that I-1 District industrial buildings are set back 35 feet from lot lines adjacent to public streets (front yards and side yards on corner lots). This may create constraints on small or irregularly shaped lots and limit the size of the building permitted. Allowing for a lesser setback could again provide

flexibility in site design while ensuring that a sufficient buffer is maintained between buildings and streets. Reducing setback requirements to a 30 foot front setback and a 25 foot side yard setback abutting a public street will still provide space for landscaping while making more efficient use of lot area.

Side yard setbacks are currently 20 feet in the I-2 District whether the side is interior to the lot or facing a public street. In order to provide for sufficient buffering of public rights-of-way and provide flexibility in site design, applying the same side and front yard setbacks as the I-1 District would be appropriate.

Minimum District Size. The ordinance currently requires a minimum of five acres and 300 feet of street frontage for an industrial district. This may have been initially intended to ensure that sufficient area would be provided to separate industrial districts from other uses that may be incompatible with the noise, odors, and truck traffic typically associated with industrial uses.

This provision is somewhat problematic as it is unclear whether rezoning a parcel less than 5 acres to I-1 or I-2 would not be permitted unless it was adjacent to an existing industrial district. Likewise, an issue may arise if a parcel was rezoned to a district other than industrial reducing the total acreage of industrial parcels to less than 5 acres in an area.

The City currently has two primary industrial districts that provide sufficient acreage to accommodate industrial uses where land use impacts may be minimized. This provision appears to no longer be useful and may cause unintended problems. We are recommending the ordinance be amended to remove the minimum district size provisions.

SUMMARY

Maintaining a vibrant and diverse industrial base is a key economic development priority for the City. The proposed changes would provide additional flexibility in site and building design for industries choosing to locate or expand in Albertville.

Attached is a draft ordinance reflecting the proposed changes discussed above for Planning Commission review. The Planning Commission should make recommendations based on public hearing comment and direct staff to prepare an ordinance amendment for City Council consideration.

c: Kim Olson
Sue Schwalbe
Paul Heins
Mike Couri

DRAFT

ORDINANCE NO. 2014-_____

AN ORDINANCE AMENDING APPENDIX A – ZONING ORDINANCE OF THE ALBERTVILLE CITY CODE RELATED TO CHANGES TO CHAPTER 4600, I-1 LIMITED INDUSTRIAL DISTRICT; AND CHAPTER 4700, I-2 GENERAL INDUSTRIAL DISTRICT PERTAINING TO LOT REQUIREMENTS, MAXIMUM BUILDING HEIGHT, AND MINIMUM DISTRICT STANDARDS

THE CITY COUNCIL OF THE CITY OF ALBERTVILLE ORDAINS:

Section 1. Chapter 4600 I-1 Limited Industrial District, Section 4600.5 Lot Requirements and Setbacks of the Albertville City Code is hereby amended to repeal the strikeouts and add the following underlined text:

C. Setbacks:

1. Front yard: ~~Thirty five feet (35')~~ Thirty feet (30').
2. Side yard:
 - a. Corner lot: ~~Thirty five feet (35')~~ Twenty-five feet (25').
 - b. Interior lot: Ten feet (10').
3. Rear yard: Twenty feet (20').

Section 2. Chapter 4600 I-1 Limited Industrial District, Section 4600.6 Maximum Building Height of the Albertville City Code is hereby amended to repeal the strikeouts and add the following underlined text:

~~Thirty five feet (35').~~ Maximum building height shall not exceed forty-five feet (45') except by conditional use permit.

Section 3. Chapter 4600 I-1 Limited Industrial District, Section 4600.7 Minimum District Size of the Albertville City Code is hereby repealed and the following sections renumbered accordingly:

~~4600.7: MINIMUM DISTRICT SIZE:~~

~~The minimum size land area for an I-1 industrial district shall be five (5) acres, with a minimum frontage of three hundred feet (300').~~

~~4600.87:~~ PROHIBITED USES

The following are prohibited uses within the I-1 district:

Manufacturing or assembly of large products that produces noise, glare, fumes, vibrations, obnoxious products, byproducts or wastes, or creates other objectionable

impacts on the environment and large volumes of traffic. Examples of such uses include, but are not limited to:

- A. Large product assembly.
- B. Concrete product plants.
- C. Building materials production.
- D. Clothing or apparel manufacturing.

Section 4. Chapter 4700 I-2 General Industrial District, Section 4700.6 Lot Requirements and Setbacks of the Albertville City Code is hereby amended to repeal the strikeouts and add the following underlined text:

C. Setbacks:

- 1. Front yard: ~~Thirty five feet (35')~~ Thirty feet (30').
- 2. Side yard: ~~Twenty feet (20')~~:
 - a. Corner lot: Twenty-five feet (25').
 - b. Interior lot: Ten feet (10').
- 3. Rear yard: Twenty feet (20').

Section 5. Chapter 4700 I-2 General Industrial District, Section 4700.7 Maximum Building Height of the Albertville City Code is hereby amended to repeal the strikeouts and add the following underlined text:

~~Thirty five feet (35')~~ Maximum building height shall not exceed forty-five feet (45') except by conditional use permit.

Section 6. Chapter 4700 I-2 General Industrial District, Section 4700.8 Minimum District Size of the Albertville City Code is hereby repealed:

~~4700.8: MINIMUM DISTRICT SIZE:~~

~~The minimum size land area for an I-2 industrial district shall be five (5) acres, with a minimum frontage of three hundred feet (300').~~

Section 9. Effective Date. This ordinance shall be effective upon passage and publication.

APPROVED by the Albertville City Council this _____ day of _____ 2014.

Jillian Hendrickson, Mayor

ATTEST:

Kimberly Olson, City Clerk



MEMORANDUM

TO: Adam Nafstad

FROM: Michelle Barness / Alan Brixius

DATE: June 4, 2014

RE: Albertville – Brewer Taprooms

FILE NO: 163.05 – 14.09

BACKGROUND

A current popular business trend is craft beer breweries with accessory taprooms. In recent years many Minnesota communities have considered Ordinance updates to allow brewery businesses in commercial, industrial, and/or mixed use districts. The following is an analysis of brewery uses, brewery licensing, and land use issues for consideration in making the determination to allow breweries in Albertville.

The craft beer industry has grown in Minnesota in recent years, with brewer taprooms and brewpubs providing opportunities for customers to sample beer product produced on the brewery site. Both a production brewery and a brewpub may sell beer for either off-site or on-site consumption. The sale of beer for off-site consumption (off-sale) involves selling to a wholesaler or retailer in the case of a production brewery, or may occur via the sale of carry-out containers (growlers) in the case of either a production brewery or a brewpub. The sale of beer for on-site consumption (on-sale) may occur in a taproom in the case of a brewery, or in a restaurant/bar in the case of a brewpub. A key distinction between a production brewery and a brewpub is that a production brewery typically sells more of its beer off-site, while a brewpub only brews beer for sale onsite in a restaurant/bar.

Attached for Reference:

- Exhibit A: Delano Brewery Taproom & Brewery Off-Sale of Malt Liquor Licenses
- Exhibit B: Delano B-4 District Conditional Use Ordinance for Production Breweries

BREWERY DEFINITIONS

Brewpubs. Brewpubs are a business that both manufactures and sells on-sale malt liquor on the same site, in combination with a bar and restaurant. The sale of liquor in a brewpub may be directed at on-site consumption (in the restaurant) or off-site consumption (sold in original packaging and carried out). Brewpubs are not currently permitted to wholesale and distribute beer for sale at other retail liquor establishments, but may hold multiple on-sale liquor licenses for sale of other alcohol products.

According to the State of Minnesota, brewpub licenses cap total annual production for on- and off-sale of malt liquor produced onsite at 3,500 barrels, with no more than 500 barrels produced for off-sale in the form of 64 ounce growlers.

Brewery/Taprooms. A production brewery can manufacture, process and warehouse beer for wholesale distribution in off-sale packages to retail liquor establishments. A brewer's taproom may also directly sell their beer products for on-site consumption or for off-site consumption as growlers. A brewer's taproom is a room that is ancillary to the production of beer at a brewery where the public can purchase and/or consume beer produced onsite only (no other alcohol may be sold). The State of Minnesota does not require food sales with taproom uses, but a brewery with a taproom license may also hold a license to operate a restaurant at the brewery.

According to the State of Minnesota, brewers with taprooms may not brew more than 250,000 barrels of malt liquor annually. When off-sale of malt liquor produced on site via growlers is also intended, production may not exceed 20,000 barrels annually (with the amount of malt liquor sold at off-sale not to exceed 500 barrels annually).

Growler. Container used in the package and off-sale of malt liquor, 64 ounces in size (1/2 gallon).

Barrel. A cylindrical container that can store approximately 31.5 U.S. liquid gallons. A beer barrel is equivalent to approximately 63 growlers.

LICENSING REQUIREMENTS FOR PRODUCTION BREWERS

A production brewer would need the following licensing from the State of Minnesota:

- 1) Small brewer license (for brewers listed under MN Statute 340A.301 Subd 6, clause (c), (i) or (j)).
- 2) Malt beverage wholesale license (if wholesale is intended).

A production brewer would need to get the following licenses from the City:

- 1) Taproom license for on-sale of malt liquor produced at the brewery (the City fills out a certification form to the State indicating that the license has been granted).

- 2) Small brewer off-sale license for the sale of growlers (the application is to be forwarded to the state for review & follow-up).

LAND USE CONSIDERATIONS

Combined Commercial/Industrial Land Uses. Breweries with accessory taprooms exhibit land use characteristics associated with both industrial and commercial zoning districts, and as such warrant careful consideration by the City as to the most appropriate placement of the use.

A brewery is an establishment for the manufacture, processing, and distribution of malt liquors. As breweries grow in scale and implement wholesale operations additional land use issues related to odors, truck traffic and the appearance of industrial type activities becomes apparent. For this reason, breweries may work well within industrial zoning districts.

When an accessory taproom is provided for the retail sale of beer product manufactured by the brewery, the ability of the brewery location to cater to customers becomes a priority. Currently in Albertville restaurant, bar, and hospitality related businesses providing retail sale of food or beverage products are located in commercial zoning districts. Other commercial activities associated with food or liquor sales, such as the provision of live entertainment, are also commonly found in association with businesses in commercial zoning districts.

Communities such as Buffalo and Delano, Minnesota have chosen to allow brewers taprooms in commercial zoning districts. New brewers in these cities indicated that brewery wholesale operations wouldn't be prevalent at initial startup, and that brand identification, development of a full product line, and establishment of a solid customer base was necessary to reach the point of large scale sale of beer products to other retail establishments. Prior to this point, breweries may essentially function as a bar with the retail sale of beer product in a taproom.

With the understanding that breweries with taprooms exhibit a mix of commercial and industrial activities at different times and through the course of growth, the Albertville Planning Commission may consider allowing these uses by conditional use permit in either industrial or commercial zoning districts. As a conditional use, the City can provide additional criteria to manage potential issues resulting from brewery industrial activities when located in a commercial district, or brewery commercial activities when located in an industrial district.

The Delano "Brewery Taproom License," "Brewery License for Off-Sale of Malt Liquor," and the B-4 District Conditional Use Ordinance for Production Breweries have been attached for reference in considering special licensing and land use requirements for brewer's taprooms. These draft ordinances are provided to stimulate discussion, and are not intended to be used to establish ordinance at this point.

Competition with Other On-Sale Commercial Uses. In the past the City has only granted on-sale liquor licenses to businesses that are also providing food service, and has required that a certain percentage of business come from the sale of food. The State of Minnesota does not require food sales in a taproom, but does not prohibit a brewery from attaining a restaurant license to sell food in association with the sale of beer. Many breweries focus initial investment in establishing brewery operations, and the opportunity to establish a restaurant at the brewery location is not pursued. The Planning Commission should make a determination as to whether taprooms can be allowed without the sale of food.

Land Use Considerations for a Brewer/Taproom Facility Located in a Commercial District. Initially, commercial sale of malt liquor in a taproom may be the principal use in a brewery facility. In this situation, production, packaging, warehousing, and shipping activities associated with the wholesale of malt liquor may have minimal impacts on adjacent commercial uses and nearby residential districts. However, as malt liquor retail sale opportunities are identified and the scale of production increases, the industrial land use components of a brewery will need to be both accommodated for and mitigated against.

A brewery facility located in a commercial district would need to demonstrate that there is adequate space for the brewing, packaging, and potential warehousing of large quantities of malt liquor on-site. In addition, the transportation of malt liquor from a brewery parcel for sale at surrounding retail locations may result in an increase in truck traffic in the commercial area, which will need to be managed.

Limit on Production. The City may consider requiring a cap on the number of barrels of malt liquor allowed to be produced annually by a brewery with an accessory taproom in a commercial district. As described above, Minnesota State Statute limits production to 250,000 barrels for brewer taprooms, and to 20,000 barrels annually for breweries applying for licenses to sell off-sale growlers. Production limitations may be reduced further to reflect the size of commercial lots, and the ability of brewery facilities in commercial areas to accommodate production, warehousing, packaging and shipping activities.

Shipping and Receiving. In addition, the City may want to create standards specifically addressing the regulation of the loading and transport of malt liquor from brewery premises in commercial districts. If a brewery parcel is unable to provide off street loading, it would be reliant on loading on a public street or alley, in which case the City should consider creating a cap on the number of trucks that are allowed to use the public right of way for loading purposes each day.

SUMMARY: ZONING ORDINANCE/LIQUOR LICENSE AMENDMENTS

There are two approaches to a land use amendment permitting breweries and brewer taprooms. One would be to address potential land use issues in a series of general provisions, then allow the taproom use as a permitted use in the appropriate zoning district(s). With this approach, a potential user would prepare plans, request permits

from staff, and providing the proposal meets the requirements of the zoning district and the established general provisions, the applicant would receive permits and construct the facility.

The second approach would be to establish the use in selected commercial or industrial district(s) as a Conditional Use, along with a series of conditions that the applicant would have to meet as a baseline condition for CUP approval. The CUP process includes a required public hearing and the opportunity for Planning Commission and City Council review.

The following are potential criteria for allowing breweries with taprooms in the community (to be included in licensing provisions and/or as conditional use criteria in applicable commercial zoning districts):

1. The owner of the brewery qualifies for and receives a brewer license and a malt liquor wholesale license (if wholesale of malt liquor is an intended activity) from the State of Minnesota, according to Minn. Statutes Section 340A.301.
2. An accessory brewer's taproom for the on-sale of beer produced on-site shall require a Brewery Taproom License from the City of Albertville. The brewer shall annually submit production reports with the request to renew a brewer taproom license. Total production of malt liquor may not exceed 250,000 barrels (or less) annually when a taproom license has been granted.
3. On-site sale of beer in the form of growlers shall require a Brewery License for Off-Sale of Malt Liquor. The brewer shall annually submit production reports with the request to renew an off-sale malt liquor license. Total production of malt liquor may not exceed 20,000 barrels (or less) annually when an off sale malt liquor license for the sale of growlers has been granted, and liquor sold at off-sale may not exceed 500 barrels (or less) annually.
4. The brewery facility provides adequate space for off-street loading and unloading of all trucks greater than 22 feet in length. In the absence of off-street loading, the City may impose limits on deliveries or shipments using the public right of ways, including regulating the number of trucks per day and the hours that deliveries are permitted.
5. Loading docks shall be located and designed so they are not visible from adjoining public streets or adjoining residential zoning.
6. No outdoor storage is permitted on the site, with the exception that waste handling (refuse and/or recycling) may occur in an enclosure that is fully screened from adjoining streets and residential zoning.
7. No odors from the business may be perceptible beyond the property line.
8. The business must be housed in a building that utilizes building design similar to, or compatible with, common commercial architecture, and shall avoid large wall

expenses which contribute to an industrial environment. The brewer must demonstrate the capacity for producing, processing and storing malt liquor on the commercial site through the provision of a building floor plan illustrating production, bottling, and storage areas.

9. All exterior lighting shall be compliant with Section 1000.10 of the Zoning Ordinance.

c: Kim Olson
Sue Schwalbe
Paul Heins
Mike Couri

**CITY OF DELANO
COUNTY OF WRIGHT
STATE OF MINNESOTA**

ORDINANCE NO. _____

**AN ORDINANCE AMENDING DELANO CITY CODE CHAPTER 5 LICENSING AND
REGULATION OF ALCOHOLIC BEVERAGES, TO REGULATE THE PROVISION OF
A BREWPUB ON-SALE/OFF-SALE LIQUOR LICENSE WITHIN THE
CITY OF DELANO**

THE CITY COUNCIL OF THE CITY OF DELANO ORDAINS:

Section 1. Chapter 5 Licensing and Regulation of Alcoholic Beverages, Section 502.01 Definitions, is hereby amended to read as follows:

Subd.25. "Taproom" means a room that is ancillary to the production of beer at a production brewery where the public can purchase and /or consume only the beer produced on site.

Subd. 26. "Tavern" means an establishment used exclusively for the retail sale of 3.2% malt liquor and the incidental sale of soft drinks and food.

Subd. 27. "Theater" means a building containing an auditorium in which live, dramatic, musical, dance, or literary performances are regularly presented to holders of tickets for those performances.

Subd.28. "Wholesaler" means any person engaged in the business of selling alcoholic beverages to retail dealers.

Subd.29. "Wine" means the product made from the normal alcoholic fermentation of grapes, including still wine, sparkling and carbonated wine, wine made from condensed grape must, wine made from other agricultural products than sound, ripe grapes, imitation wine, compounds sold as wine, vermouth, cider, perry and sake, in each instance containing not less than one half of one percent nor more than 24% alcohol by volume for nonindustrial use.

Section 2. Chapter 5 Licensing and Regulation of Alcoholic Beverages, Section 503.01 License Required, is hereby amended to read as follows:

Subd. 14 Brewery Taproom License. A brewery taproom license authorizes on-sale of malt liquor produced by the brewer for consumption on the premises of or adjacent to one brewery location owned by the brewer.

A. Applicant. This license may be issued to the holder of a brewer's license under Minnesota Statute 340.A301.

B. Conditions.

1. A brewer may hold only one (1) brewer taproom license under this section, and may not have an ownership of another brewery.
2. The on-sale of malt liquor may only be sold Monday through Saturday, unless a Sunday sales license is attained, and during the hours that "on-sale" of liquor may be made.
3. A brewery must demonstrate compliance with all zoning ordinance standards pertaining to production breweries.
4. All other provisions of this chapter shall be applicable to such licenses and licensees unless inconsistent with the provisions of this section.

C. Nothing in this section shall preclude the holder of a brewer taproom license from also holding a license to operate a restaurant at the taproom location.

Subd. 15 Brewery License for Off-Sale of Malt Liquor. Brewers licensed under Minnesota Statute 340A.301 Subd.6, clause (c), (i) or (j), may be issued a license for off-sale of malt liquor at its licensed premises that has been produced and packaged by the brewer.

- A. The amount of malt liquor sold at off sale may not exceed 500 barrels annually.
- B. Off-sale of malt liquor shall be limited to the legal hours for off-sale at exclusive liquor stores in the jurisdiction in which the brewer is located, and the malt liquor sold off-sale must be removed from the premises before the applicable off-sale closing time at exclusive liquor stores.
- C. The malt liquor must be packaged in 64 ounce containers known as growlers and may have the following packaging requirements:
 - i. Growlers must bear a twist-type closure, cork, stopper or plug.
 - ii. At time of sale, paper or plastic adhesive band, strip or sleeve shall be applied to the container and extend over the top of the closure, forming a seal.
 - iii. The band, strip or sleeve must bear the name and address of the brewer, and the container must be identified as malt liquor, contain the name of the malt liquor, and bear the name and address of the brewer selling the malt liquor, and shall be considered intoxicating liquor unless labeled otherwise.
- D. A brewer may only have one license under this subdivision.
- E. The brewer seeking the license may not brew more than 10,000 barrels of its own brands of malt liquor annually.

**THIS AMENDMENT SHALL BE IN FULL FORCE AND EFFECTIVE IMMEDIATELY
FOLLOWING ITS PASSAGE AND PUBLICATION**

Approved by the Delano City Council the _____, 2014.

Dale Graunke, Mayor

Marlene Kittock, City Clerk

**CITY OF DELANO
COUNTY OF WRIGHT
STATE OF MINNESOTA**

ORDINANCE NO. _____

**AN ORDINANCE AMENDING DELANO ZONING ORDINANCE SECTION 51.01
SUBD. B RULES AND DEFINITIONS AND SECTION 51.23 B-4, CENTRAL
BUSINESS DISTRICT, AS PERTAINS TO BREWPUBS IN THE CITY OF DELANO**

THE CITY COUNCIL OF THE CITY OF DELANO ORDAINS:

Section 1. Section 51.01 Subd. B of the Delano Zoning Ordinance, Rules and Definitions, is hereby amended to read as follows:

2. Definitions. The following words and terms, wherever they occur in this Ordinance, shall be interpreted as herein defined:

Production Brewery. Manufactures, processes and warehouses beer for wholesale distribution in off-sale packages to retail liquor establishments, and may retail beer product for on-site consumption in a taproom or for off-site consumption as growlers. A production brewer may not have an ownership interest in a brewery licensed under Minnesota Statutes Section 340A.409, Subd. 6, clause (d).

Taproom. A room that is ancillary to the production of beer at a production brewery where the public can purchase and /or consume only the beer produced on site.

Section 2. Section 51.23 Subd. D of the Delano Zoning Ordinance, Conditional Uses in the B-4 District, is hereby amended to read as follows:

6. Production Breweries, provided that:
 - a. The owner of the brewery qualifies for and receives a brewer license and a malt liquor wholesale license (if wholesale of malt liquor is an intended activity) from the State of Minnesota, according to Minn. Statutes Section 340A.301.
 - b. An accessory brewer's taproom for the on-sale of beer produced on-site shall require a Brewery Taproom License from the City of Delano, according to City Code Section 503.01 Subd. 14.

- c. On-site sale of beer in the form of growlers shall require a Brewery License for Off-Sale of Malt Liquor, according to City Code Section 503.01 Subd. 15.
- d. Total production of malt liquor may not exceed 10,000 barrels annually. Of the 10,000 barrel production limit, onsite taproom retail sales shall not exceed 3,500 barrels annually, 500 barrels of which may be sold off-sale as growlers. The brewer shall annually submit production reports with the request to renew a brewer taproom or off-sale malt liquor license.
- e. The brewery facility provides adequate space for off-street loading and unloading of all trucks greater than 22 feet in length. In the absence of off-street loading, the City may impose limits on deliveries or shipments using the public right of ways, including regulating the number of trucks per day and the hours that deliveries are permitted.
- f. Loading docks shall be located and designed so they are not visible from adjoining public streets or adjoining residential zoning.
- g. No outdoor storage is permitted on the site, with the exception that waste handling (refuse and/or recycling) may occur in an enclosure that is fully screened from adjoining streets and residential zoning.
- h. No odors from the business may be perceptible beyond the property line.
- i. The business must be housed in a building that utilizes building design similar to, or compatible with, common commercial architecture, and shall avoid large wall expanses which contribute to an industrial environment. The brewer must demonstrate the capacity for producing, processing and storing malt liquor on the commercial site through the provision of a building floor plan illustrating production, bottling, and storage areas.
- j. All exterior lighting shall be compliant with Section 51.03 Subd.D.2 of this code.

**THIS AMENDMENT SHALL BE IN FULL FORCE AND EFFECTIVE IMMEDIATELY
FOLLOWING ITS PASSAGE AND PUBLICATION**

Approved by the Delano City Council the _____, 2014.

Dale Graunke, Mayor

Marlene Kittock, City Clerk