

1. Planning Commission Work Session Agenda

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CITY OF POQUOSON



POQUOSON PLANNING COMMISSION WORK SESSION

January 24, 2019

AGENDA

**POQUOSON PLANNING COMMISSION
WORK SESSION
THURSDAY, JANUARY 24, 2019, 7:00 P.M.
COUNCIL CHAMBERS – 500 CITY HALL AVENUE**

PRESENTATION

- 1. Presentation of recommended Constrained Capital Improvements Plan (CCIP) for Fiscal Years 2020-2024 and Beyond.**

DISCUSSION ITEM

- 1. Amendment to existing Zoning Ordinance (Appendix A) Sections 1-3 “Definitions”, Article X, Section 10-2 “Permitted and conditional uses”, Section 1-08 (c) “Minimum off-street parking requirements” of the site plan ordinance (Appendix C) and any other necessary adjustments to include “brew pubs” and “craft breweries/microbreweries” as permitted by-right uses in the B-2 General Business, and as a use allowed by Conditional Use Permit in the Village Commercial (VC) and General Commercial (GC) districts.**




CITY OF POQUOSON

Office of the City Manager
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January 16, 2019

TO: Chairman Shriver and Members of the Planning Commission

FROM: J. Randall Wheeler, City Manager 

SUBJECT: Recommended Constrained Capital Improvements Plan

I am pleased to present you with the recommended Constrained Capital Improvements Plan (CCIP) for Fiscal Years 2020-2024 and Beyond. As you know the CCIP serves as a multi-year planning document as well as input to the development of the upcoming annual budget for the City. This year we have made several changes to the document itself to provide clearer linkages between the agency requests and the Adopted Comprehensive Plan. These changes provide additional information regarding certain projects that are underway, and other format changes intended to make the document itself more easily understood.

Once again this year the plan recommended for consideration is fiscally constrained by projected revenue, including planned and potential debt financing. A summary of the recommended constrained project list by funding method can be found on pages 4 and 5. The document also includes each project request as submitted by the respective departments and schools.

For the purpose of this transmittal, I would like to highlight four discussion areas:

First, I would like to update you on the City's recent debt borrowing and provide an update with regard to the status of the projects. In the summer of 2018 the City issued approximately \$18M in new debt to support the Middle School renovation and school bus replacement as well as a small number of City projects. These projects include the replacement of Engine 102 which we expect to take delivery of in the first quarter of 2019, the HVAC System replacement project at City Hall which is expected to be complete by May 2019 and additional support toward meeting the City's Chesapeake Bay/Storm Water TMDL mandates. It is anticipated that the School Board will award the Architectural and Engineering contract in early 2019. The School Board received the bus in July 2018.

Second, I would like to update you on the status of the original \$23M (FY2019-FY2023) debt allocation. As the Planning Commission is aware the City Council established in 2019 a total five year debt allocation for the School Division of \$20M for FY2019-FY2023. Of this allocation, approximately

\$17.1M has been borrowed and appropriated and the remaining amount of approximately \$3M is allocated in support of the School Division's requested projects for FY2020 – FY2023. The Recommended CCIP continues to reflect the remaining debt allocation from the original \$23M, less schools, as being reserved to support the Chesapeake Bay/TMDL mandate. This number has been updated to include the total five year debt capacity and it is presented net of anticipated fees and other borrowing costs. The net non-school debt capacity number over the five year CCIP period is \$2.57M.

Third, I am pleased to share with you that the Council has established as one of its two strategic priorities for Fiscal Years FY2020 -2021 the completion of a Master Infrastructure Plan (MIP) for the City. As you know the MIP was an important recommendation from the recently approved Comprehensive Plan. The Council has asked staff to complete the MIP within two years and to include chapters such as roads, sidewalks/bike paths, sewer, stormwater and flood control, public buildings, including the completion of the Comprehensive Plan recommended Public Safety Feasibility Study, and outdoor and indoor recreation facilities. Initial work on the MIP is underway and will be a major focus for staff for the next two years. Unless required by the federal TMDL mandate to spend significant additional borrowed funds to meet the City's requirements, it is my strong recommendation which is reflected in the Recommended CCIP that the \$2.57M allocated to support TMDL be considered a place holder in the plan at least until such time as the remaining TMDL issues resolve themselves with regard to the SWIFT program credit training. Once resolved, the Planning Commission and City Council could then decide whether or not to allocate all or a portion of this number to support the Public Safety Project, some other project contained within the MIP or within the CCIP.

Fourth, if the City is going to reserve its available non-school allocated debt capacity to support one or more future MIP projects the City will have to look to other funding sources to help with such things as smaller capital projects, capital equipment replacement and major building maintenance. In the coming months I will be presenting recommendations to the City Council with regard to the use of bond-related interest earnings. It is my intention to recommend that these funds be used as pay-as-you-go funding to support needed Public Works/Solid Waste and Public Safety equipment replacement as well for limited consultant support for the MIP, particularly as it relates to the Public Safety Building Feasibility Study. Additionally, the City Council appropriated a portion of its FY2018 year-end fund balance to support the capital projects funds. I expect to present recommendations with regard to the use of this \$87k in February or March.

My staff and I look forward to working with you to finalize the FY2020-FY2024 CCIP. Thank you for your work on the Comprehensive Plan and the City's first CCIP last year. Both documents have provided important guidance to the staff and I as we have prepared our recommendations for your consideration.



CITY OF POQUOSON

PLANNING DEPARTMENT

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To: The Honorable Chairwoman and Members of the Planning Commission

From: Wally Horton, Director of Community Development

Date: January 24, 2019

Subject: **Work Session Discussion of a Text Amendment:** to existing Zoning Ordinance (Appendix A) Sections 1-3 “Definitions”, Article X, Section 10-2 “Permitted and conditional uses”, Section 1-08 (c) “Minimum off-street parking requirements” of the site plan ordinance (Appendix C) and any other necessary adjustments to accommodate the proposed uses in the City of Poquoson. The purpose of the amendment is to include “brew pubs” and “craft breweries/microbreweries” as permitted by right uses in the B-2 General Business and as a use allowed by Conditional Use Permit in the Village Commercial (VC) and General Commercial (GC) districts.

Opening Remarks

Recently, the City has been queried in regard to the allowance of a microbrewery in the B-2 Zoning Districts. There is currently no such use allowed in the B-2 District. In addition, allowance of this use as a Conditional Use in VC and GC District is being considered.

Overview

The initiation for these uses is precipitated by the interest of two people looking to open a new craft/micro brewery in Poquoson. Having been approved for a microbrewery and restaurant in the Village Commercial (VC) District by Conditional Use Permit, the owners wish to start off smaller with a microbrewery in the B-2 District.

As with any addition of use(s) to the Zoning Ordinance, Staff, the Planning Commission, and the City Council must look beyond any specific request at a specific location and consider whether the use(s) fit in the community as a whole. To this point, it is important to keep in mind that craft breweries have become integral parts of positive economic development and benefit economies, which is a focus of the City. Moreover, nearby localities have recognized the value of this type of business as the use is allowed in a plethora of counties and cities in Virginia. Zoning Districts where the use is allowed by-right include business equivalent and industrial zoned areas.

There are many sources of information which speak of brewpubs and craft/micro breweries as an important catalyst for the economic well-being of an area. Staff is including a link to one article from Virginia Business magazine for your review (<http://www.virginiabusiness.com/news/article/the-business-of-beer>). Another site that goes into more depth and defines a brewpub and microbrewery is at <https://en.wikipedia.org/wiki/Microbrewery>. In this case Wikipedia does a good job of summarizing the existing literature.

As clarification, “Micro Brewery” will be added with “Craft Brewery” in the district use and definitions sections of the ordinance. The terms are synonymous with some localities opting for “Micro Brewery” and others choosing “Craft Brewery”. Adding both will eliminate ambiguity.

Lastly, the following website offers a 2016 snapshot of the craft beer industry:

<http://viriniacraftbeer.com/2016-state-of-the-commonwealths-craft-beer-industry/>

Comprehensive Plan Guidance

There is ample guidance in the 2018-2038 Comprehensive Plan for this type of use.

Under Chapter 4 – Economics (Beginning on Page 4-23) the goal is to “Promote economic development in order to enhance the quality of life for all citizens of Poquoson. Capitalize on the City’s reputation for an excellent quality of life, and market Poquoson’s natural advantages to commercial businesses that realize the benefits of an affluent, low-crime suburban waterfront environment.” Objectives include:

#1: To Prioritize promoting small businesses and infill retail development in existing commercially-zoned areas,

#4: To Foster a business-friendly climate, and enhance Poquoson’s commercial development image throughout the region.

Under Chapter 8 – Land Use (Beginning on Page 8-17) the goal is to “Enforce a pattern of land use and development that reinforces and improves the quality of life for citizens and assists in achieving the goals of the Comprehensive Plan in Economics, Environment, Housing, Utilities, Transportation and Recreation. Direct and guide growth as presented in the Comprehensive Plan Future Land Use Plan and Map for harmonious and responsible property development that preserves Poquoson’s residential, ‘small town’ character.

Objectives in Chapter 8 include:

#2. Concentrate commercial development in a unified, accessible commercial district.

#3. Encourage commercial and professional business development that blends in with and compliments City architectural standards and land uses.

#5. Promote the use of land in a manner that is harmonious with other uses and does not negatively impact the natural environment.

#6. Promote the use of land consistent with the capacity of existing and planned public facilities and services, and the City’s ability to provide such facilities and services.

Strategies in Chapter 8 include:

#3. Maintain adequate subdivision and zoning regulations designed to prevent fragmented, inharmonious, and disorderly development.

#5. Encourage all future commercial development to be located in the vicinity of the Big Woods and along Wythe Creek Road within close proximity to Victory Boulevard.

#9. Encourage a variety of commercial uses that will expand and stabilize the City’s tax base.

#21. Review and update City Zoning, Subdivision, Site Plan, and Sign ordinances to ensure coherence, clarity and compliance with current law and development practices.

Definitions

Staff noted similarities in definitions for craft/micro breweries with 15,000 barrels per year being the maximum for that type of brewery. The barrel capacity of 31 gallons was derived from the industry standard definition of a “Barrel of Beer”, which is equal to two kegs (one keg equals 15.5 gallons). Some Ordinances listed uses that could be considered “accessory” to a craft/micro brewery.

It is important to draw distinctions between craft/micro breweries and brewpubs:

A craft/micro brewery sells 75% or more of its beer off-site. Craft/Micro breweries sell to the public by one or more of the following methods depending on state regulations: the traditional three-tier system (brewer to wholesaler to retailer to consumer); the two-tier system (brewer acting as wholesaler to retailer to consumer); and directly to the consumer through carry-outs and/or on-site tap-room or restaurant sales.

A brewpub sells 25% or more of its craft/micro brewed beer on site. The beer is brewed primarily for sale in the restaurant and bar and is often dispensed directly from the brewery's storage tanks.

All brewpubs are microbreweries in that they are small-scale breweries, but not all microbreweries are brewpubs – only if they have a tavern or pub on the premises do they qualify as a brewpub.

With this in mind and borrowing from published magazine materials as well as other zoning ordinances, Staff would propose the following definitions in Section 1-5 of the Zoning Ordinance (Appendix A):

Craft/Micro brewery means a facility that produces and sells no more than 15,000 barrels of beer or other malt liquors per year and which requires a license from the Virginia Department of Alcoholic Beverage Control. For the purposes of this definition, a barrel shall mean a container designed to hold thirty-one gallons. Permitted accessory uses shall include retail sales, tasting rooms for beverages produced on-site, restaurants, reception halls, and live entertainment.

Brewpub means a craft/micro brewery that operates in conjunction with a retail tavern or pub / restaurant on the premises.

Allowed Uses

Pursuant to Article X, Section 11-3, the following uses are proposed to be Permitted Uses.

Craft/Micro Brewery

Brewpub

Pursuant to Article XI (Village Commercial), Section 10-2, and Article XI.I (General Commercial), Section 11.1-2 the following uses are proposed to be allowed via issuance of a Conditional Use Permit.

Craft/Micro Brewery

Brewpub

Parking

In considering the proposed uses, Staff also examined parking as it relates to both craft/micro breweries and brewpubs. Many nearby localities require 1 space per 100 square feet of restaurant or bar or tavern type use. The City Site Plan Ordinance requires one (1) space per four seats. Staff believes the current City standards are appropriate; namely, requiring one space per four seats available for dining or bar/tavern use. As far as parking area for kitchens and the brewery, one space per each two employees on-site during the largest shift seems a reasonable requirement and, in the case of a craft/micro brewery, is in keeping with the current requirement for Industrial uses, which include industries, warehouses, and wholesale establishments not selling directly to the public.

Add in Sections 1-08 (c) and (d) of the Site Plan Ordinance:

Category C - Brew Pub

- **One (1) space per four (4) seats used for a bar or tavern type use, including outdoor bar or tavern area;**
- **One (1) space per four (4) seats of dining area including outdoor dining**
- **Brewery/Kitchen: One (1) space per each two employees on maximum working shift; plus space for storage of trucks or other vehicles used in connection with the business or industry**
- **Off street loading space in accord with Section 1-08 (d) of the site plan ordinance**

In Section 1-08 (c) (2) - Craft/Micro Brewery

- **Brewery/Kitchen: One (1) space per each two employees on maximum working shift; plus space for storage of trucks or other vehicles used in connection with the business or industry**
- **One (1) space per four (4) seats in areas dedicated to accessory tasting rooms, restaurants (including outdoor dining areas), or retail sales; plus**
- **Off street loading space in accord with Section 1-08 (d) of the site plan ordinance.**

Staff Recommendation

It is staff's opinion that the proposed uses will not cause any adverse affects and will conform to the intent and purpose of the districts that they are being added into. Additionally, any operations proposed would be subject to all Virginia Department of Health and Virginia Department of Alcoholic Beverage Control regulations as they may apply.

Upon conclusion of discussion at the work session regarding text language, Staff would respectfully ask that the Planning Commission authorize a public hearing for the Planning Commission meeting on February 21, 2019 in accord with the outcome of discussions at the work session on January 24th.

CWH