

ITEM V-A: CONDITIONAL USE PERMIT – 501 DEREK PLACE – ROSEVILLE BREWING COMPANY - FILE# 2011PL-003; (CUP-000067)

REQUEST

The applicant requests approval of a Conditional Use Permit to operate a 2,500 sq. ft. micro-brewery production facility and tasting room. The tasting room will be open from 5PM – 8PM Monday – Friday and 2PM – 6PM on Saturdays. The facility will be closed, with no operations on Sundays. Per the Zoning Ordinance, approval of a Conditional Use Permit is required to operate a brewery in a Light Industrial (M1) zoning district.

Applicant: Roseville Brewing Company, Kelly Rue
Property Owner: Kemper Properties, Kevin Kemper

SUMMARY RECOMMENDATION

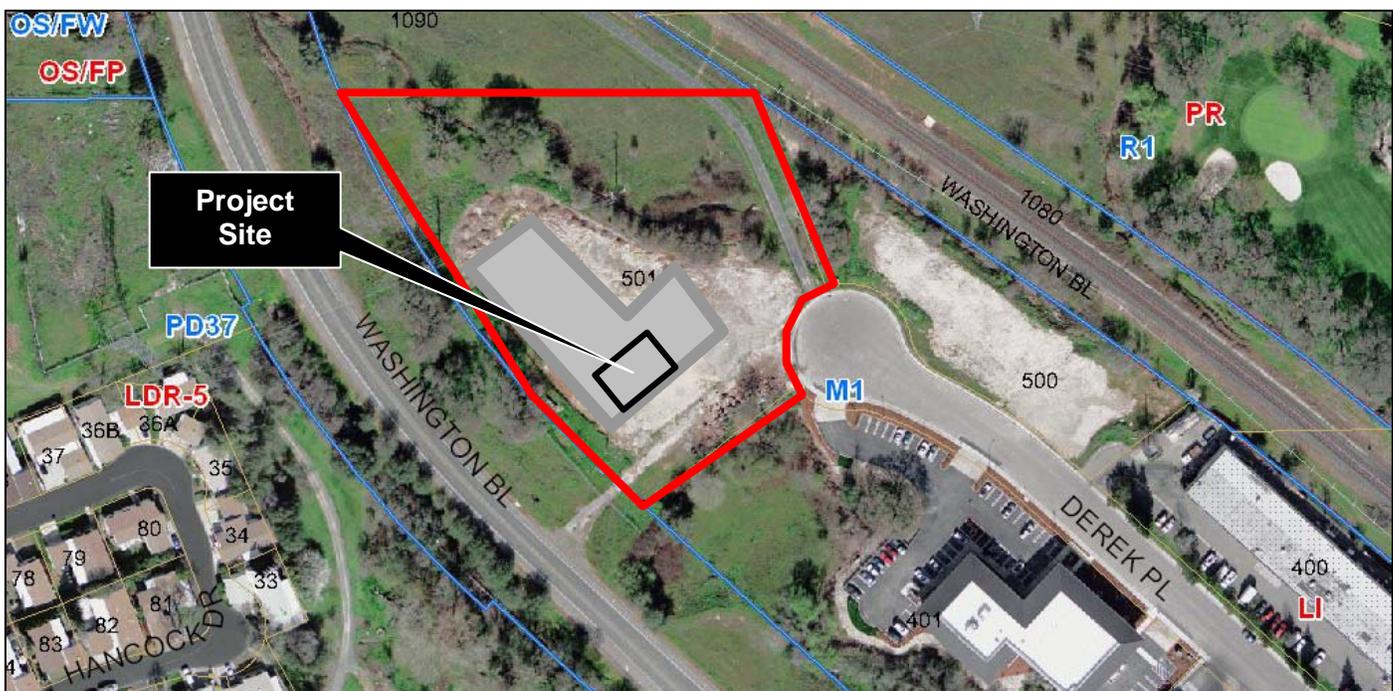
The Planning Department recommends that the Planning Commission take the following actions:

- A. Adopt the three (3) findings of fact for the Conditional Use Permit; and
- B. Approve the Conditional Use Permit subject to twelve (12) conditions of approval.

SUMMARY OF OUTSTANDING ISSUES

There are no outstanding issues associated with the request. The applicant has reviewed and is in agreement with the recommended conditions of approval.

Land Use & Zoning Map



BACKGROUND

The project site is located at 501 Derek Place within the Infill Area of the City (see Land Use & Zoning Map below). The property has a zoning and land use designation of Light Industrial (M1 and LI respectively). The use is proposed in a portion of an existing 19,779 square foot building with associated parking, lighting, and landscaping, which was approved by the Design Committee in December 2003 (DRP 03-27) (see Figure 1).

The property is bordered by Washington Boulevard to the west, Union Pacific Railroad tracks to the east, an Open Space parcel to the north, and additional industrial/commercial property to the south. Access to Derek Place is via Washington Boulevard, approximately one-third of a mile southeast of the subject property. The nearest residence is located on the west side of Washington Boulevard, approximately 370 feet from the building in which the micro-brewery is proposed (see Land Use & Zoning Map above).

Other businesses operating in the immediate vicinity of the proposed micro-brewery include automobile repair facilities, a tree care company, a specialty school, construction companies, a medical supply warehouse and other industrial-type businesses.

The current request is to operate a micro-brewery production facility and tasting room. Per the Zoning Ordinance, approval of a Conditional Use Permit is required to operate a brewery in a Light Industrial (M1) zoning district.



EVALUATION & FINDINGS

Conditional Use Permits (CUP) are evaluated for consistency with the City's General Plan, conformance with the City's Zoning Ordinance, and potential for impacts to the health, safety and welfare of persons who reside or work in the area. Specifically, the Planning Commission must make the three findings of fact listed below in ***bold italics*** to approve a CUP. An analysis of the request for operation of the micro-brewery and tasting room in an M1 zone follows each finding.

1. The proposed use or development is consistent with the City of Roseville General Plan.

The land use designation for the subject property is Light Industrial (LI). The LI land use designation is typically intended to provide for industrial uses that generate very limited noise, vibration, odor, dust, smoke, light, or other pollutants, and are either integrated or compatible with surrounding properties. As noted above, the proposed micro-brewery site is substantially surrounded by other industrial/heavy commercial types of uses.

The General Plan relies on the Zoning Ordinance to establish location, general standards and design criteria for industrial developments. The Conditional Use Permit will allow staff to implement conditions which will provide operational restrictions that will ensure the proposed use is compatible with the LI land use designation. As discussed below, the proposed micro-brewery is consistent with the Zoning Ordinance; therefore, the proposed use is consistent with the City of Roseville General Plan.

2. The proposed use or development conforms with all applicable standards and requirements of the City of Roseville Zoning Ordinance.

The subject property has a zoning designation of Light Industrial (M1). The Zoning Ordinance (Chapter 19.14.020) states that General Industrial use types, which include breweries, may be located in an M1 zoning district with approval of a Conditional Use Permit. The Zoning Ordinance does not specify regulations or

development standards for operation of a micro-brewery in an M1 zoning district except building height and parking requirements. The facility will utilize an existing building, and the parking is discussed below.

The Zoning Ordinance parking requirement for industrial use types is one (1) space per 1,000 sq. ft. Where other uses (office, etc.) exceed 10% of the gross floor area, the parking requirement shall be the combined total for each use type. The current parking requirement and available parking for 501 Derek Place is shown below:

Suite # - Use Type	Parking Requirement	Area	Required Spaces
100 - Industrial	1 space per 1,000 sq. ft.	4,503 sq. ft.	5
100 - Office	1 space per 250 sq. ft.	2,097 sq. ft.	8
120 – Industrial	1 space per 1,000	2,294 sq. ft.	2
120 – Office	1 space per 250 sq. ft.	1,301 sq. ft.	5
140 – Industrial (brewery)	1 space per 1,000 sq. ft.	2,500 sq. ft.	3
160 – Specialty School	8 spaces ¹	5,000 sq. ft.	8
		Total	31

The approved site plan for the subject property (see Exhibit A) shows that 53 parking spaces are provided at the site, which exceeds the parking requirement by 22 spaces. The tasting room associated with the proposed micro-brewery is only ±225 sq. ft., which is less than 10 percent of the gross floor area of the brewery; therefore, the industrial use parking requirement (1/1,000) applies to the entirety of the floor space to be occupied by the brewery. There are no additional prescriptive standards identified in the Zoning Ordinance for General Industrial use-types (micro-breweries); therefore, as conditioned, the project is consistent with the Zoning Ordinance.

3. The location, size, design and operating characteristics of the proposed use or development is compatible with and shall not adversely affect or be materially detrimental to the health, safety, or welfare of persons residing or working in the area, or be detrimental or injurious to public or private property or improvements.

The applicant has submitted a letter providing specific details of the request and operation of the micro-brewery and tasting room (see Attachment 1). In summary:

- Brewery will produce approximately 56 barrels (1,764 gallons) of beer per month – 14 barrels per day for four (4) production days per month
- Brewery production facility hours will be 7:00 AM – 5:00 PM Monday – Friday.
- Tasting room hours will be 5:00 PM – 8:00 PM Monday – Friday, and 2:00 PM - 6:00 PM on Saturday
- A small reception area will display items for sale bearing logo and name (hats, T-shirts, etc).
- Majority of floor space will be warehouse for brewing equipment, pallets of ingredients and cold storage.
- Tasting room (±225 sq. ft.) will accommodate between 8-12 people who will pay a nominal fee for tasting only.
- Bottled products may be purchased for off-site consumption.
- Tours will be offered to small groups.

Staff’s evaluation of this request focused on several areas, indicated by the **bold headings** below.

¹ A parking reduction for this tenant was approved in September 2009 (AP-000306) which set the parking requirement at 8 spaces due to unique operating characteristics of the school.

Licensing: Per the applicant, operation of the micro-brewery production facility and tasting room will require licenses from the U.S. Department of Treasury, Alcohol, Tobacco & Tax Bureau (TTB) and the California Department of Alcoholic Beverage Control (ABC), as well as a City Business License. The applicant is currently working with the applicable agencies to obtain necessary licenses.

Odors: Only organic matter is used in the brewing process and the only potential odors produced would be that of hops (a brewing ingredient) which would be generated during the boiling stage of the brewing process. The brewing equipment will consist of two closed boilers that will exhaust through the ceiling. The M1 zone anticipates uses that may emit limited amounts of steam, heat, odor and noise. As discussed above, there are no residences in the immediate vicinity of the project site.

Solid & Liquid Waste Removal: Any solid waste produced will be in the form of grain, wheat, and hops that have been boiled; referred to as mash. Based on the production schedule discussed above, the brewery will produce approximately 400 pounds of solid mash waste per month. After the mash has been boiled, it will be removed and stored in sealed five-gallon containers for pickup and removal from the premises to be used as cattle feed by local farmers. It is anticipated that the material will be picked up twice monthly with a pickup truck or small cargo van.

A food-grade, environmentally safe sanitation product is used to clean and rinse the equipment after brewing. The only material that will be released in the sewer/drain system will be the diluted cleaning solution, water and a small amount of left over yeast. The Environmental Utilities (EU) Department has reviewed the project and has had discussions with the applicant regarding solid and liquid waste removal. Condition 9 has been included which requires the installation of a sewer monitoring point (manhole or sewer cleanout) to be installed in the paved area of the driveway. The applicant has worked with EU throughout the application process and is in agreement with this condition.

Noise: The brewing process requires operation of the grain mill which would create low-level noise inside the building. During the brewing process, the grain mill would be operated up to twice a day for a 10 – 15 minute period, and only during business hours. Condition 11 requires the operation of the brewery to comply with the City's Noise Ordinance. As discussed above, the nearest sensitive receptor is approximately 370 feet west of the micro-brewery building, and Washington Boulevard is between the residences and the brewery. Additionally, the Union Pacific Railroad tracks are adjacent to the east, where freight trains leave the rail yards heading north toward Lincoln, Marysville and beyond. General road noise and noise associated with passing trains will mask noise generated by the micro-brewery.

Deliveries: Deliveries will occur approximately twice per week and will be during normal business hours. Deliveries to the site will be done by delivery trucks or vans, with three axles or less. Condition 4 has been included requiring deliveries to be done during normal business hours.

Hours of Operation: As discussed above, the production facility hours will be 7:00 AM – 5:00 PM Monday – Friday and the tasting room hours will be 5:00 PM – 8:00 PM Monday – Friday, and 2:00 PM - 6:00 PM on Saturday, with no operations on Sunday. The tasting room operations will be outside the operating hours of other businesses located at the site; therefore, tasting room operations will not conflict with other businesses operations or parking.

Parking: As analyzed above, 53 parking spaces are provided at the site, which exceeds the parking requirement by 22 spaces.

CONDITIONAL USE PERMIT CONCLUSION

Based on the analysis contained in this staff report, and with the project conditions, the required findings can be made for the proposed Conditional Use Permit.

ENVIRONMENTAL DETERMINATION

This project is categorically exempt from the environmental review requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15301 (Existing Facilities) and Section 305 of the City of Roseville CEQA Implementing Procedures.

RECOMMENDATION

The Planning Department recommends that the Planning Commission take the following actions:

- A. Adopt the three (3) findings of fact as stated in the staff report – 501 DEREK PLACE – ROSEVILLE BREWING COMPANY - FILE# 2011PL-003; (CUP-000067); and,
- B. Approve the Conditional Use Permit – 501 DEREK PLACE – ROSEVILLE BREWING COMPANY - FILE# 2011PL-003; (CUP-000067), with the 12 conditions of approval listed below.

CONDITIONS OF APPROVAL FOR CUP- 000067:

1. The project is approved as shown in Exhibits A and B, and as conditioned or modified below. (Planning)
2. This permit shall be valid for a period of two (2) years from this date and shall expire on **April 14, 2013**. Prior to said expiration date, the applicant may apply for an extension of time, provided, however, that this approval shall be extended for no more than one year from **April 14, 2013**. (Planning)
3. The CUP shall be effectuated upon the occupancy of the building being approved by the Building Department. (Planning, Building)
4. The micro-brewery production facility operating hours will be 7:00 AM – 5:00 PM Monday – Friday and the tasting room hours will be 5:00 PM – 8:00 PM Monday – Friday, and 2:00 PM - 6:00 PM on Saturday. There shall be no brewery or tasting room operations on Sunday. (Planning)
5. All deliveries and material pick-up to and from the site shall be done during approved hours of operation. (Planning)
6. Building permit plans shall comply with all applicable code requirements (California Building Code – CBC – based on the International Building Code, California Mechanical Code – CMC – based on the Uniform Mechanical Code, California Plumbing Code – CPC – based on the Uniform Plumbing Code, California Fire Code – CFC – based on the International Fire Code – with City of Roseville Amendments – RFC, California Electrical Code – CEC – based on the National Electrical Code, and California Energy Standards – CEC T-24 Part 6), California Title 24 and the American with Disabilities Act - ADA requirements, and all State and Federally mandated requirements in effect at the time of submittal for building permits (contact the Building Department for applicable Code editions). (Building)
7. For restaurants or other food services, the developer shall obtain all required approvals and permits from the Placer County Health Department and the City of Roseville Industrial Waste Division. (Building, Environmental Utilities)
8. If the main electrical service needs to be upgraded to accommodate the new loading, all costs associated with upgrading the service will be at the developer's expense. (Electric)
9. Applicant is to install a sewer monitoring point outside the building. This monitoring point may be a manhole or type of sewer cleanout installed in the paved area in the drive way. (Environmental Utilities)

10. Additional wastewater fees may be assessed, dependent upon effluent characterization. (Environmental Utilities)
11. The project is subject to the noise standards established in the City's Noise Ordinance. In accordance with the City's Noise Ordinance project construction is exempt between the hours of seven a.m. and seven p.m. Monday through Friday, and between the hours of eight a.m. and eight p.m. Saturday and Sunday. Provided, however, that all construction equipment shall be fitted with factory installed muffling devices and that all construction equipment shall be maintained in good working order. (Building, Planning)
12. The existing fire alarm system in the building may need to be upgraded to accommodate the proposed change in use and occupancy load. (Fire)

ATTACHMENTS

1. Letter From Applicant Outlining Business Operations Plan for Facility

EXHIBITS

- A. Site Plan
- B. Floor Plan

Note to Applicant and/or Developer: Please contact the Planning Department staff at (916) 774-5276 prior to the Commission meeting if you have any questions on any of the recommended conditions for your project. If you challenge the decision of the Commission in court, you may be limited to raising only those issues which you or someone else raised at the public hearing held for this project, or in written correspondence delivered to the Planning Director at, or prior to, the public hearing.