

**MAY 19, 2014**

**Title**

PC 14-07

**Petitioner**

Troika Brewing Company  
d/b/a Noon Whistle  
c/o Jim Cagle  
6318 Fairmount Avenue  
Downers Grove, IL 60516

**Property Location**

B4A Roosevelt Road Corridor  
District

**Approval Sought**

Text amendments to Sections 155.802 (and any other relevant sections for clarity) and 155.417 (G)(2)(a) of the Village of Lombard Zoning Ordinance to define and allow “microbrewery” to be listed as a conditional use within the B4A Roosevelt Road Corridor District.

**Submittals**

1. Petition for a public hearing, submitted April 21, 2014; and
2. Response to Standards for a Text Amendment

**Prepared By**

Matt Panfil, AICP  
Senior Planner

**DESCRIPTION**

The petitioner has submitted this request along with a companion request for a conditional use for a microbrewery (if PC 14-07 is approved) at 800 E. Roosevelt Road (Case No. PC 14-08).

Microbreweries are a growing business throughout the country, and have experienced substantial growth within the Chicagoland area. The Village of Lombard currently lacks specific regulatory standards for such a business, with the closest item being “Food or Dairy Manufacture, Packaging, or Processing.” The food or dairy manufacturing use is allowed only as a conditional use within the I Limited Industrial District. While the petitioner brought forth this specific request, planning staff anticipates an increase in similar requests in the future and finds it is advisable to start establishing land use regulations for such uses.

The microbrewery industry is federally regulated by the Alcohol and Tobacco Tax and Trade Bureau (TTB), which is under the jurisdiction of the United States Department of the Treasury. In order to receive approval from the TTB, the petitioner’s facility would have to be near operational. Therefore, Village approval is one of the first steps in the petitioner’s overall process.

The proposed zoning regulations for a microbrewery are similar to, and even borrow language from, many surrounding communities. Also, it is not uncommon for microbreweries to have ancillary uses such as retail sales, “tasting rooms,” dining, or taverns on-site. The proposed amendment has given consideration to these ancillary uses and makes a clearer distinction between taverns (alcohol sold and consumed on premise, but no production), liquor stores (alcohol sold on-site but consumed off-site), and microbreweries (alcohol produced, consumed on-site, and sold on-site for off-site consumption). Finally, the limit of 15,000 barrels of beer per calendar year is a standard for microbreweries as defined by the Brewers Association, an organization of more than 2,000 US breweries and 43,000 homebrewers.

**INTER-DEPARTMENTAL REVIEW**

**Building Division:**

The Building Division has no issues or concerns regarding the proposed text amendments to the Zoning Ordinance.

**Fire Department:**

The Fire Department has no issues or concerns regarding the proposed text amendments to the Zoning Ordinance.

**Private Engineering Services:**

Private Engineering Services has no issues or concerns regarding the proposed text amendments to the Zoning Ordinance.

**Public Works:**

The Department of Public Works has no issues or concerns regarding the proposed text amendments to the Zoning Ordinance.

**EXISTING & PROPOSED REGULATIONS**

New Text    ~~Deleted Text~~

**§155.802 Rules and Definitions**

**MICROBREWERY**

**is a business establishment where malt beverages of alcoholic content are produced for distribution, retail or wholesale, on or off premises, with a capacity of less than 15,000 U.S. barrels of beer per calendar year. The establishment may include as an ancillary use an onsite taste testing area and other uses such as a restaurant or tavern as permitted by the Village of Lombard Zoning Ordinance and/or Liquor Commissioner.**

**TAVERN**

**is an establishment where liquors are sold to be consumed generally on the premises. A tavern differs from a microbrewery in that liquors and other alcoholic beverages are not produced on-site. Packaged liquor may be sold, but only as part of an ancillary use when permitted by the Village of Lombard Zoning Ordinance and/or Liquor Commissioner.**

**LIQUOR STORE, PACKAGE**

**is a business establishment where alcoholic beverages are kept and sold and where such alcoholic beverages are not generally imbibed on the premises. A package liquor store differs from a microbrewery and tavern in that liquors and other alcoholic beverages are not produced on-site.**

**§155.417 Roosevelt Road Corridor B4A District Requirements**

**(G) Use Regulations**

**(2) Conditional Uses**

**(a) Retail Uses**

1. Amusement establishments, outdoor, including: archery range, shooting galleries (with no retail sales of associated product), and other similar amusement facilities

2. Gasoline sales (or any expansion of a principal, secondary or ancillary use on the same lot as a gasoline sales establishment)
3. **Microbrewery**
- ~~3.~~ 4. Motor vehicle sales
- ~~4.~~ 5. Outside display and sales of products the sale of which is a permitted or conditional use in this district
- ~~5.~~ 6. Outside services areas for other permitted or conditional uses in this district
- ~~6.~~ 7. Restaurants, including entertainment, dancing, and/or amusement devices when conducted as part of the restaurant operations and secondary to the principal use
- ~~7.~~ 8. Recreational vehicle sales
- ~~8.~~ 9. Secondhand stores and rummage shops (with a minimum floor area of 5,000 square feet)

### **STANDARDS FOR TEXT AMENDMENTS**

The petitioner has provided responses to the standards for both a text amendment and conditional use (PC 14-08) which are attached to this document. Staff offers the following:

1. *The degree to which the proposed amendment has general applicability within the Village at large and not intended to benefit specific property;*

The text amendment is generally applicable to all potential microbreweries and is not property specific in any way. A conforming business can be operated at any well-suited property.

2. *The consistency of the proposed amendment with the objectives of this ordinance and the intent of the applicable zoning district regulations;*

From a land use perspective, staff finds the proposed use is suitable for the B4A Roosevelt Road Corridor District. The Lombard Zoning Ordinance states, "The uses within the B4A District are designed to permit a wide variety of retail sales activity required to meet the demands of a developing local market and promote attractive development, an open and pleasant street appearance and compatibility with adjacent residential areas." The proposed use is consistent with the intent of the B4A Roosevelt Road Corridor District.

3. *The degree to which the proposed amendment would create nonconformity;*

As the proposed text amendment is additive in nature and does not remove any existing permitted or conditional uses from the B4A Roosevelt Road Corridor District. Staff is unaware of any existing legal conforming uses that would be made nonconforming by the proposed text amendment. Rock Bottom is a legal conforming restaurant and Flesk Brewing received conditional use approval for food manufacturing, packaging, and processing (PC 12-03).

4. *The degree to which the proposed amendment would make this ordinance more permissive;*

The proposed amendment is more permissive to the extent that it is intended for a new business model, but the terms of the amendment are tailored closed to said business model and create a very specific application. Existing and prior breweries in the Village, specifically including Rock Bottom, Flesk Brewing, and previously Taylor Brewing, in operation under the current Lombard Zoning

Ordinance, demonstrate that a craft brewery is a small scale business that supports the local commercial business environment.

5. *The consistency of the proposed amendment with the Comprehensive Plan; and*

The text amendment was specifically and intentionally drafted to incorporate the needs of this growing business model and it incorporates "best practices" from other communities with successful micro-breweries. The proposed amendment is consistent with the Village's economic development objectives such as bringing new business to the Village, including new, but proven, business models. Also, the proposed amendment simply creates an opportunity for the operation of a business that is very similar to other established and successful businesses in the Village, such as Rock Bottom Brewery, Flesk Brewing, (previously) Taylor Brewing, as well as traditional restaurants that serve alcohol. The operation of a microbrewery is a small scale business that drives and supports local commercial business environment under the current ordinance.

6. *The degree to which the proposed amendment is consistent with village policy as established in previous rulings on petitions involving similar circumstances.*

Existing and prior brewery operations in Lombard, specifically including Rock Bottom Brewery, Flesk Brewing, and previously Taylor Brewing prove the appropriateness and success of microbrewery operations in Lombard. These similar businesses are great examples and show that Lombard has established itself as a great place to operate a microbrewery business. The proposed use is very similar in most aspects to these other businesses.

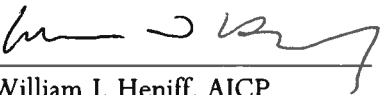
### **FINDINGS & RECOMMENDATIONS**

Staff finds the proposed amendments to be consistent with the objectives of the Zoning Ordinance. The proposed amendments are also consistent with the intent of the Comprehensive Plan in general.

Based on the above findings, the Inter-Departmental Review Committee has reviewed the petition and finds that it meets the standards required by the Zoning Ordinance. As such, the Inter-Departmental Review Committee recommends that the Plan Commission make the following motion recommending **approval** of this petition:

Based on the submitted petition and the testimony presented, the requested text amendments **comply** with the standards required by the Village of Lombard Zoning Ordinance; and, therefore, I move that the Plan Commission accept the findings and recommendations of the Inter-Departmental Report as the findings of the Plan Commission and I recommend to the Corporate Authorities **approval** of PC 14-07.

Inter-Departmental Review Committee Report approved by:

  
William J. Heniff, AICP  
Director of Community Development

c. Petitioner

## Standards for Text Amendments

In response to the terms of Section 155.103(E)(8)(b):

*1. The degree to which the proposed amendment has general applicability within the Village at large and not intended to benefit specific property.*

The text amendment is generally applicable to all potential craft-breweries and is not property specific in any way. A conforming business can be operated at any well-suited property.

*2. The consistency of the proposal amendment with the objectives of this ordinance and the intent of the applicable zoning district regulations.*

As evidenced by existing and prior brewery operations in Lombard, specifically including Rock Bottom Brewery, Flesk Brewing, and previously Taylor Brewing, the operation of a craft brewery is a small scale business that drives and supports local commercial business environment under the current ordinance. The main difference between those businesses and the applicant's business is that the applicant will operate its retail business on a much smaller scale with limited days and reduced hours for retail sales. In addition to the existing breweries operating successfully in Lombard, a potential co-tenant, Whirleyball, sells a variety of craft beers on its standard menu with much success. Also, the current space is vacant and dark and this proposed use will utilize the space well and as intended, including significant capital investment into the property creating a better overall business environment for other tenant's and proximate businesses. Further, the proposed use is very similar to the property's prior use as a grocery store, except that operations at this site will be on a reduced hours basis when compared to other thriving local businesses.

Finally, the business model of the applicants specifically includes partnering with local eateries and restaurants. This hybrid approach will drive the commercial activity as requested while also creating benefits for the established and up-and-coming business provided high-quality food. The brewery will improve development in the surrounding properties and increase Lombard as a destination from residents in surrounding towns. Breweries are a destination location where people seek out the business and are in tune with the product and community.

*3. The degree to which the proposed amendment would create nonconformity.*

The proposed amendment creates only a slight nonconformity as it is intended for a new business model, but the terms of the amendment are tailored closely to this growing business model and create a very specific application. Existing and prior brewery operations in Lombard, specifically including Rock Bottom Brewery, Flesk Brewing, and previously Taylor Brewing, the operation of a craft brewery is a small scale business that drives and supports local commercial business environment under the current ordinance. The main difference between those businesses and the applicant's business is that the applicant will operate its retail business on a much

smaller scale with limited days and reduced hours for retail sales. The applicant will also not prepare food on site, but the business model of the applicants specifically includes partnering with local eateries and restaurants. This hybrid approach will drive the commercial activity as requested while also creating benefits for the established and up-and-coming business provided high-quality food. The brewery will improve development in the surrounding properties and increase Lombard as a destination from residents in surrounding towns. Breweries are a destination location where people seek out the business and are in tune with the product and community.

*4. The degree to which the proposed amendment would make the ordinance more permissive.*

The proposed amendment is slightly more permissive as it is intended for a new business model, but the terms of the amendment are tailored closely to this growing business model and create a very specific application. Existing and prior brewery operations in Lombard, specifically including Rock Bottom Brewery, Flesk Brewing, and previously Taylor Brewing, the operation of a craft brewery is a small scale business that drives and supports local commercial business environment under the current ordinance.

The main difference between those businesses and the applicant's business is that the applicant will operate its retail business on a much smaller scale with limited days and reduced hours for retail sales. The applicant will also not prepare food on site, but the business model of the applicants specifically includes partnering with local eateries and restaurants. This hybrid approach will drive the commercial activity as requested while also creating benefits for the established and up-and-coming business provided high-quality food. The brewery will improve development in the surrounding properties and increase Lombard as a destination from residents in surrounding towns. Breweries are a destination location where people seek out the business and are in tune with the product and community.

However, note the proposed site, 800 Roosevelt Road, is a high commercial area with the existing infrastructure and utilities to support this business. Changes to building codes and infrastructure are not necessary and this proposed business will fit well into the existing space and can meet the necessary requirements. In addition, the current space is vacant and dark and this use will utilize the space well and as intended, including significant capital investment into the property creating a better overall business environment for other tenant's and proximate businesses. Such improvements and growth will only increase the business tax base.

*5. The consistency of the proposed amendment with the Comprehensive Plan.*

The text amendment was specifically and intentionally drafted to incorporate the needs of this growing business model and it incorporates "best practices" from other communities with successful micro-breweries. The proposed amendment is consistent with the Village's economic development objectives such as bringing new business to the Village, including new, but proven, business models. Also, the proposed amendment simply creates an opportunity for the operation of a business that is very

similar to other established and successful businesses in the Village, such as Rock Bottom Brewery, Flesk Brewing, (previously) Taylor Brewing, as well as traditional restaurants that serve alcohol. The operation of a craft brewery is a small scale business that drives and supports local commercial business environment under the current ordinance.

*6. The degree to which the proposed amendment is consistent with the Village policy as established in previous rulings on petitions involving similar circumstances.*

Existing and prior brewery operations in Lombard, specifically including Rock Bottom Brewery, Flesk Brewing, and previously Taylor Brewing prove the appropriateness and success of craft brewery operations in Lombard. These similar businesses are great examples and show that Lombard has established itself as a great place to operate a craft brewery business. The proposed use is very similar in most aspects to these other businesses.

The main difference between those businesses and the applicant's business is that the applicant will operate its retail business on a much smaller scale with limited days and reduced hours for retail sales. The applicant will also not prepare food on site, but the business model of the applicants specifically includes partnering with local eateries and restaurants. This hybrid approach will drive the commercial activity as requested while also creating benefits for the established and up-and-coming business provided high-quality food. The brewery will improve development in the surrounding properties and increase Lombard as a destination from residents in surrounding towns. Breweries are a destination location where people seek out the business and are in tune with the product and community.

Also note the proposed site, 800 Roosevelt Road, is a high commercial area with the existing infrastructure and utilities to support this business. Changes to building codes and infrastructure are not necessary and this proposed business will fit well into the existing space and can meet the necessary requirements. In addition, the current space is vacant and dark and this use will utilize the space well and as intended, including significant capital investment into the property creating a better overall business environment for other tenant's and proximate businesses. Such improvements and growth will only increase the business tax base. Finally, the proposed use is very similar to the property's prior use as a grocery store, except that operations at this site will be on a reduced hours basis when compared to other thriving local businesses and business traffic will be very restricted to bi-weekly or monthly deliveries.

Below are several links to independent, published articles citing the benefits of small-local focused craft brewers to the communities in which they operate:

[http://www.huffingtonpost.com/2013/07/22/craft-breweries\\_n\\_3635088.html](http://www.huffingtonpost.com/2013/07/22/craft-breweries_n_3635088.html)

<http://www.businessinsider.com/craft-brews-create-urban-revival-2013-7>

<http://www.craftbeer.com/craft-beer-muses/craft-beers-positive-communmity-impact>

<http://coloradobeer.org/wp-content/uploads/2011/03/CBG-Economic-Impact-White-Paper-04-24-12.pdf>