HONORABLE MAYOR & CITY COUNCIL

WEDNESDAY, AUGUST 26, 2020

ACM: Majed Al-Ghafry

FILE NUMBER: Z190-209(PD)

DATE FILED: February 20, 2020

LOCATION: North side of Canton Street, west of South Malcolm X Boulevard

COUNCIL DISTRICT: 2

MAPSCO: 45 M

CENSUS TRACT: 204.00

SIZE OF REQUEST: ± 0.28 acres

REPRESENTATIVE: Santos Martinez, La Sierra Planning Group

APPLICANT/OWNER: 2809 Canton LLC

REQUEST: An application for a Specific Use Permit for a microbrewery, distillery, or winery on property zoned Subdistrict A within Planned Development District No. 269, the Deep Ellum/Near East Side District.

SUMMARY: The applicant proposes to operate a microbrewery, microdistillery, or winery use within an existing, vacant 10,326 square foot structure [Deep Ellum Brewery].

CPC RECOMMENDATION: <u>Approval</u> for a five-year period, subject to a site plan and conditions.

STAFF RECOMMENDATION: <u>Approval</u> for a five-year period with eligibility for automatic renewals for additional five-year periods, subject to a site plan and conditions.

BACKGROUND INFORMATION

- The request site is a vacant, one-story structure.
- The applicant will convert an existing one-story, 10,326 square foot building into a microbrewery, microdistillery, or winery.
- The surrounding land uses are located within Tract A of PD No. 269 and consist of a variety of retail and personal service uses.
- Per PD No. 269, a microbrewery, microdistillery, or winery means an establishment for the manufacture, blending, fermentation, processing, and packaging of alcoholic beverages with a floor area of 15,000 square feet or less that takes place wholly inside a building. Floor area dedicated to retail sales and on-site consumption is not included in the 15,000 square foot maximum floor area calculations. A facility that only provides tasting or retail sale of alcoholic beverages is not a microbrewery, microdistillery, or winery use.
- **Zoning History:** There have been four recent zoning cases requested in the area in the past five years:
- **1. Z178-279** On September 26, 2018, the City Council approved the renewal of Specific Use Permit No. 2156 for a microbrewery, microdistillery, or winery for a five-year period with eligibility for five year automatic renewals.
- **2. Z189-107** On April 10, 2019, the City Council approved Specific Use Permit No. 2076 for an inside commercial amusement limited to a live music venue and dance hall for a five year period with eligibility for five year automatic renewals.
- **3. Z167-346** On December 13, 2017, the City Council approved Specific Use Permit No. 2267 for a microbrewery, microdistillery, or winery for a two-year period with eligibility for five-year automatic renewals.
- **4. Z167-382** On December 13, 2017, the City Council approved Specific Use Permit No. 2268 for a bar, lounge or tavern for a two-year period.

Thoroughfares/Streets:

Thoroughfare/Street	Туре	Existing ROW
South Malcolm X Boulevard	Collector	50 feet
Canton Street	Minor Arterial	80 feet

Traffic:

The Engineering Division of the Sustainable Development and Construction Department has reviewed the request and determined that it will not significantly impact the existing roadway system.

Comprehensive Plan:

The <u>forwardDallas! Comprehensive Plan</u> was adopted by the City Council in June 2006. The <u>forwardDallas! Comprehensive Plan</u> outlines several goals and policies which can serve as a framework for assisting in evaluating the applicant's request.

The applicant's request is consistent with the following goals and policies of the comprehensive plan.

ECONOMIC ELEMENT

GOAL 2.3 BUILD A DYNAMIC AND EXPANDED DOWNTOWN

Policy 2.3.3 Work with property owners and stakeholders to preserve and enhance the image of Downtown Dallas.

URBAN DESIGN ELEMENT

GOAL 5.1 PROMOTE A SENSE OF PLACE, SAFETY AND WALKABILITY

Policy 5.1.1 Promote pedestrian-friendly streetscapes

GOAL 5.3 ESTABLISHING WALK-TO CONVENIENCE

Policy 5.3.1 Encourage a balance of land uses within walking distance of each other.

STAFF ANALYSIS:

Surrounding Land Uses:

	Zoning	Land Use
Site	PD 269 Tract A	Vacant
North	PD 269 Tract A	Bar, lounge or tavern; Microbrewery, microdistillery, or winery; and vacant
East	PD 269 Tract A	Microbrewery, microdistillery, or winery
South	PD 269 Tract A	Office, gallery, restaurant
West	PD 269 Tract A	Office, vacant

Land Use Compatibility:

The applicant proposes to utilize the approximately 10,326-square-feet structure for the manufacture of alcoholic beverages and warehouse storage for the microbrewery, micro distillery or winery use.

Pursuant to Plan Development District No. 269, a *microbrewery, microdistillery or winery* means an establishment for the manufacture, blending, fermentation, processing and packaging of alcoholic beverages with a floor area of 15,000 square feet or less that takes place wholly inside a building. Floor area dedicated to retail sales and on-site consumption is not included in the 15,000 square foot maximum floor area calculations. A facility that only provides tasting or retail sale of alcoholic beverages is not a microbrewery, micro distillery or winery use.

The surrounding land uses include a bar, lounge or tavern; microbrewery, microdistillery, or winery; and vacant building to the north and east; an office and vacant use to the east; a gallery, an office, and restaurant use to the south; and an office and abutting vacant building to the west.

The general provisions for a Specific Use Permit in Section 51A-4.219 of the Dallas Development Code specifically state: (1) The SUP provides a means for developing certain uses in a manner in which the specific use will be consistent with the character of the neighborhood; (2) Each SUP application must be evaluated as to its probable effect on the adjacent property and the community welfare and may be approved or denied as the findings indicate appropriate; (3) The city council shall not grant an SUP for a use except upon a finding that the use will: (A) complement or be compatible with the surrounding uses and community facilities; (B) contribute to, enhance, or promote the welfare of the area of request and adjacent properties; (C) not be detrimental to the public health, safety, or general welfare; and (D) conform in all other respects to all applicable zoning regulations and standards. The regulations in this chapter have been established in accordance with a comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the city.

Staff supports the request and considers the use compatible with the surrounding uses; therefore, staff recommends a five-year time period with eligibility for automatic renewals for additional five-year periods. However, the City Plan Commission recommended approval for a five-year period with no automatic renewals.

Parking:

Parking must be provided in accordance with the requirements of Planned Development District No. 269, the Deep Ellum/Near East Side District.

PD No. 269 states that the no off-street parking spaces are required for the first 5,000 square feet of floor area in a use that has a separate certificate of occupancy if the use is located in an original building. PD No. 269 defines an original building as a building

constructed on or before June 27, 1984, the floor area of which has not since June 27, 1984, been increased by more than: (A) 150 percent if the increase is 5,000 square feet or less; or (B) 100 percent if the increase is more than 5,000 square feet. An original building damaged or destroyed on or before June 27, 1984, other than by the intentional act of the owner or his agent, may be restored after that date without losing its original building status. The request site, according to DCAD, was built in 1937.

No off-street parking spaces are required for the first 5,000 square feet of floor area in a use that has a separate certificate of occupancy if the use is located in an original building. The off-street parking requirement for a microbrewery, microdistillery, or winery is one space per 1,000 square feet of storage; one space per 200 square feet of retail sales area; one space per 100 square feet of bar or restaurant area; and one space per 600 square feet of remaining floor area. The request site is approximately 10,326 square feet. The first 5,000 square feet is exempt. The remaining 5,326 square feet of floor area will require five spaces for the 5,000 square feet of storage and two spaces are required for the 326 square feet of retail sales area. Additionally, the PD allows a 10 percent parking reduction if the site is within a quarter mile of a DART rail line station. Therefore, a reduction of one space is allowed for a total of six off-street spaces required with the applicant providing 10-off-street spaces.

As it relates to the parking requirements, on-street parking is currently available in the Deep Ellum area and any parking space that is located in front of the request site can count towards the off-street parking requirements.

Landscaping:

Landscaping must be provided in accordance with Article X, as amended. No new development is proposed with this request; therefore, no landscape requirements are triggered by this request.

Market Value Analysis:

<u>Market Value Analysis (MVA)</u>, is a tool to aid residents and policy-makers in understanding the elements of their local residential real estate markets. It is an objective, data-driven tool built on local administrative data and validated with local experts. The analysis was prepared for the City of Dallas by The Reinvestment Fund. Public officials and private actors can use the MVA to more precisely target intervention strategies in weak markets and support sustainable growth in stronger markets. The MVA identifies nine market types (A through I) on a spectrum of residential market strength or weakness. As illustrated in the attached MVA map, the colors range from purple representing the strongest markets (A through C) to orange, representing the weakest markets (G through I). Although the area of request is not within an identifiable MVA cluster, it is in the vicinity of an "E" MVA cluster to the south across Canton Street.

2809 Canton LLC - officers

John Reardon President

CPC ACTION July 9, 2020

Motion: It was moved to recommend **approval** of a Specific Use Permit for a microbrewery, distillery, or winery for a five-year period, subject to a site plan and conditions on property zoned Subdistrict A within Planned Development District No. 269, the Deep Ellum/Near East Side District, on the northwest corner of Canton Street and South Malcolm X Boulevard.

	Maker: Second: Result:	Blair		o 0			
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	Abs	ainst: sent: cancy:	0 0 0				
	s: Area s: For:	: 200 2		Mailed: Against:			
Speakers : For: Santos Martinez, 12 Tanager Terrace, Angel Fire, NM 87710				M,			

Against: None

CPC Recommended Conditions

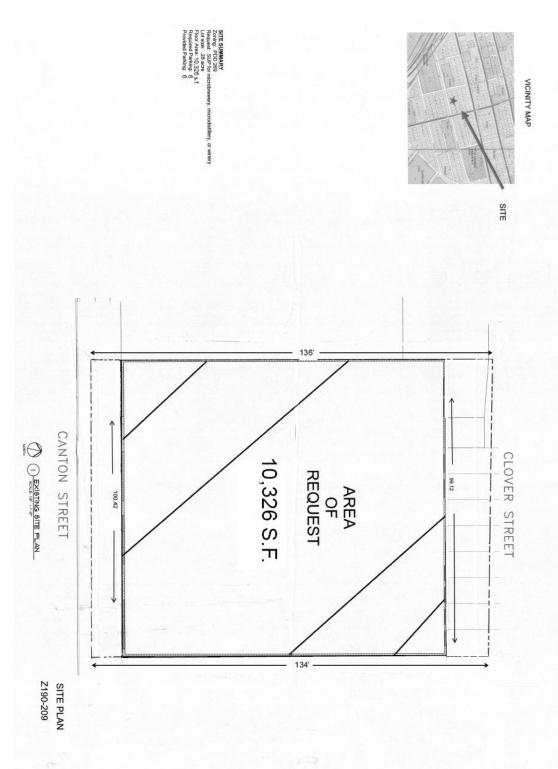
- 1. <u>USE</u>: The only use authorized by this specific use permit is a microbrewery, microdistillery, or winery.
- 2. <u>SITE PLAN</u>: Use and development of the Property must comply with the attached site plan.

CPC Recommendation:

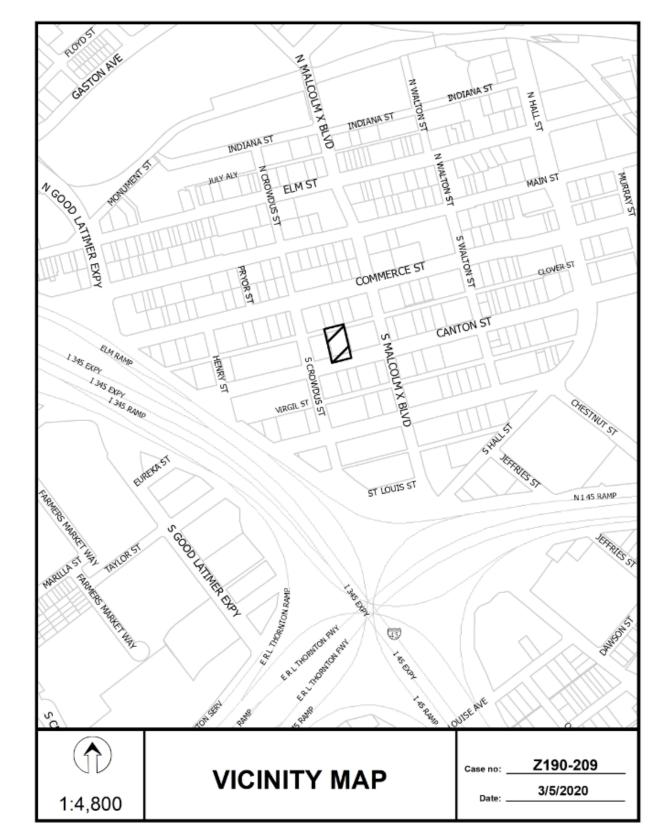
3. <u>TIME LIMIT</u>: This specific use permit expires on (five years from the passage of this ordinance).

Staff's Recommendation:

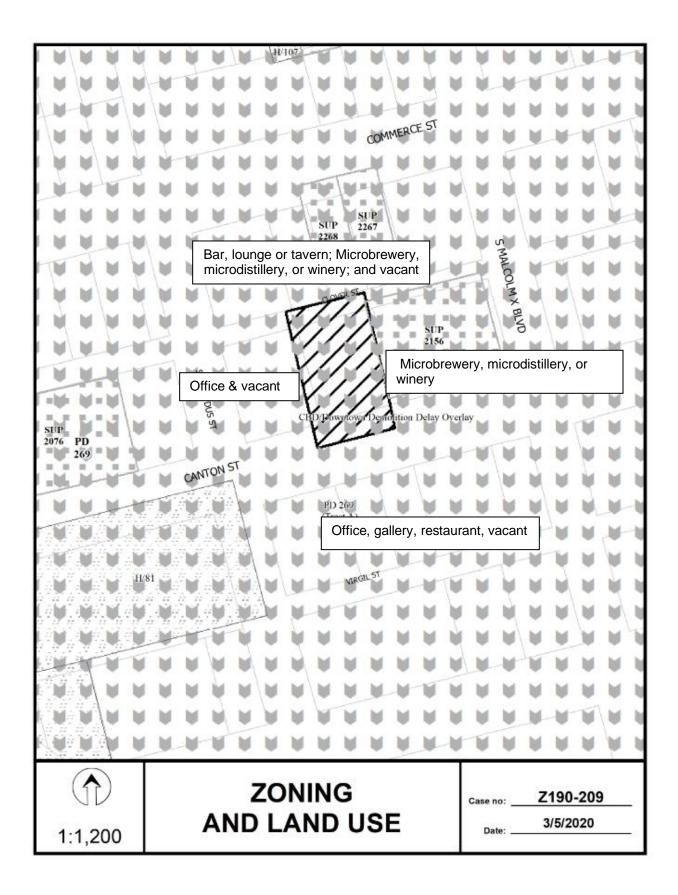
- 3. <u>TIME LIMIT</u>: This specific use permit expires on (five years from the passage of this ordinance), but is eligible for automatic renewal for additional five-year periods pursuant to Section 51A-4.219 of Chapter 51A of the Dallas City Code, as amended. For automatic renewal to occur, the Property owner must file a complete application for automatic renewal with the director before the expiration of the current period. Failure to timely file a complete application will render this specific use permit ineligible for automatic renewal. (Note: The Code currently provides that applications for automatic renewal must be filed after the 180th but before the 120th day before the expiration of the current specific use permit period. The Property owner is responsible for checking the Code for possible revisions to this provision. The deadline for applications for automatic renewal is strictly enforced.)
- 4. <u>FLOOR AREA</u>: The maximum floor area for a microbrewery, micro-distillery, or winery is 10,326 square feet.
- 5. <u>OUTSIDE STORAGE</u>: Outside storage silos and outside storage of spent organic material is prohibited.
- 6. <u>PARKING</u>: Off-street parking must be provided in accordance with the requirements of Planned Development District No. 269.
- 7. <u>MAINTENANCE</u>: The Property must be properly maintained in a state of good repair and neat appearance.
- 8. <u>GENERAL REQUIREMENTS</u>: Use of the Property must comply with all federal and state laws and regulations, and with all ordinances, rules, and regulations of the City of Dallas.

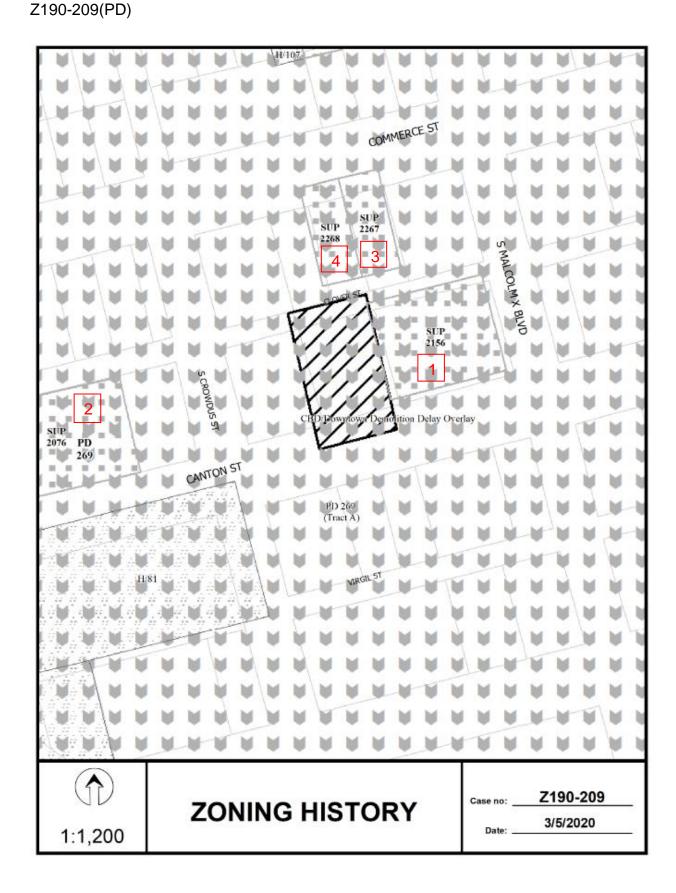


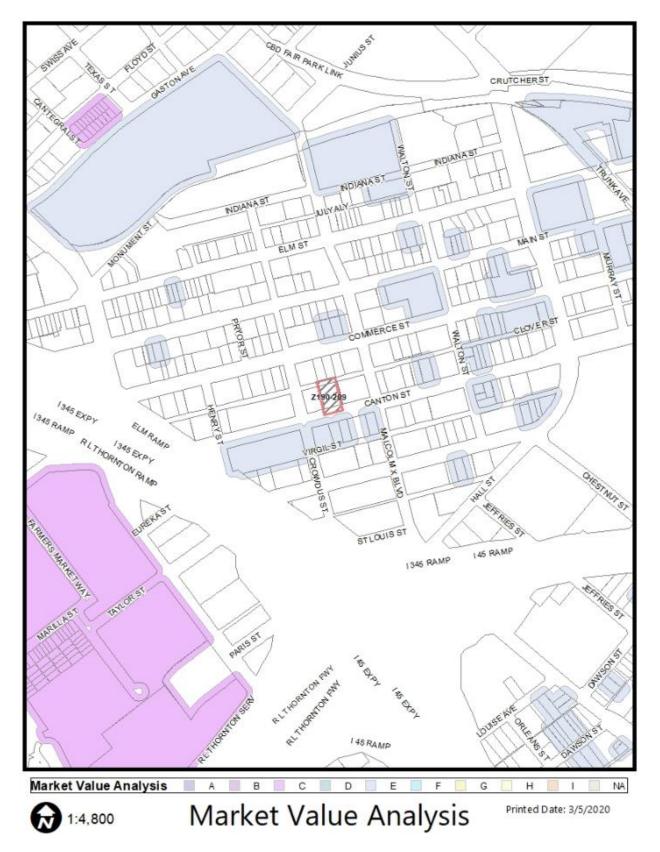
PROPOSED SITE PLAN











CPC RESPONSES



07/08/2020

Reply List of Property Owners

Z190-209

12 Property Owners Notified

2 Property Owners in Favor

0 Property Owners Opposed

Reply	Label #	Addre	S <i>S</i>	Owner
	1	2805	CANTON ST	GEBHARDT BROADCASTING LLC
	2	2809	CANTON ST	2809 CANTON LLC
	3	2730	COMMERCE ST	MADISON PACIFIC DEV CO
О	4	2700	CANTON ST	WESTDALE ADAM HATS LTD
	5	2820	COMMERCE ST	AP BLANTON DEEP ELLUM LLC
	6	2800	COMMERCE ST	2800 COMMERCE INVESTORS
	7	2825	CANTON ST	INDUSTRIAL RESERVICES LLC
	8	2824	CANTON ST	HORTON T L DESIGN INC
	9	2814	CANTON ST	FITZGERALD KAREN K & SEAN
	10	2810	CANTON ST	WARREN PROPERTY HOLDINGS LLC
	11	2803	TAYLOR ST	DEEP ELLUM CHURCH
0	12	2713	CANTON ST	2713 CANTON LTD

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