



Zoning Text Amendment (ZTA) No. 17-07, Light Manufacturing and Production – Brewing and Distilling



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Completed: 10/26/17

Description

ZTA No. 17-07 would revise the definition and standards for light manufacturing and production; allow for the brewing and distilling of alcoholic beverages under certain circumstances; and allow light manufacturing and production use as a limited use in the CR zones. In the CR zones, light manufacturing and production would be limited to the brewing and distilling of alcoholic beverages with a maximum annual volume.

Summary

Staff recommends approval of ZTA 17-07 as modified, to revise the definition and standards for light manufacturing and production to allow for the brewing and distilling of alcoholic beverages under certain circumstances. The proposed maximum annual volume for brewing alcoholic beverages match the limits for lower volume state licenses and the proposed maximum annual volume for distilling codifies what has been allowed by interpretation by DPS. Staff proposes one modification to the text to clarify that the brewing and distilling volume limits apply to all CR zones, not just the CR and CRT zones.

Background/Analysis

ZTA 17-07 would revise the definition and standards for light manufacturing and production to allow for the brewing and distilling of alcoholic beverages under certain circumstances. Specifically, the ZTA would be more permissive of brewing and distilling within volume limits, by allowing light manufacturing and production use as a limited use in the Commercial/Residential zones. As stated in the County Council staff memorandum, the Night Time Economy Task Force in 2013 recommended a policy of self-distribution for breweries. The subsequent state legislative change resulted in a significant number of breweries launching in the County over the past few years. They are part of the innovation economy culture that is taking root in Montgomery County. Communities with locally produced beverages benefit from both a vibrant social scene for residents and from export-based jobs. Breweries and distilleries sell their spirits to consumers around the country and globally.

Currently, a Department of Permitting Service's policy interpretation of "Artisan Manufacturing" allows the annual production of up to 50,000 gallons of distilled liquor in certain Commercial/Residential mixed-use zones. ZTA 17-07 will permit production up to 50,000 gallons of distilled liquor in the Commercial/Residential zones and up to 100,000 gallons of distilled liquor in the Employment Office (EOF) zone under the Light Manufacturing and Production use. Production of more than 100,000 gallons of distilled liquor is allowed in the heavy manufacturing and production category which is permitted in the Heavy Industrial (IH) zone. ZTA 17-07 would allow, in code, what has been allowed by interpretation. It would also allow some (up to 22,500 barrels per year) brewing (the process used for the manufacturing of beer) in Commercial/Residential zones. The proposed limits match the limits for lower volume state licenses. The EOF zone currently allows light manufacturing and production. The volume of manufacturing for distilling and brewing would be higher in the EOF zone.

Definition- Light Manufacturing and Production

Light Manufacturing and Production means a building used for the manufacturing of finished products or parts including processing, fabrication, assembly, treatment, and packaging of such products and parts, and incidental storage, sales, and distribution, where all manufacturing processes and noise, odor, smoke, heat, glare and vibration resulting from the manufacturing processes are contained entirely within a building. ZTA 17-07 would exclude the odor from brewing and baking from having to be contained entirely within a building.

Use Standards- Light Manufacturing and Production

Currently, where Light Manufacturing and Production is allowed as a limited use, and the subject lot abuts or confronts a property zoned Agricultural, Rural Residential, or Residential Detached that is vacant or improved with an agricultural or residential use, site plan approval is required. Light Manufacturing and Production is allowed as a limited use in the EOF zone. ZTA 17-07 proposes to also allow this use as a limited use in the Commercial/Residential zones. In addition to the site plan approval requirement when located next to property zoned Agricultural, Rural Residential, or Residential Detached, ZTA 17-07 would limit the allowed Light Manufacturing and Production uses in the CR Zones to brewing alcoholic beverages up to 22,500 barrels a year and to distilling alcoholic beverages up to 50,000 gallons per year. In the EOF zone the volume of brewing alcoholic beverages would be limited to 60,000 barrels a year and the volume of distilling alcoholic beverages would be limited to 100,000 gallons per year.

As stated above, the proposed maximum annual volume for brewing alcoholic beverages match the limits for lower volume state licenses and the proposed annual volume for distilling codifies what has been allowed by interpretation by DPS. As such staff, has no objection to ZTA 17-07. Staff proposes one modification to the text to clarify that the brewing and distilling volume limits apply to all CR zones, not just the CR and CRT zones.

Attachments

1. ZTA No. 17-07 as modified

ATTACHMENT 1

Zoning Text Amendment No.: 17-07
Concerning: Light Manufacturing and
Production – Brewing
and Distilling
Draft No. & Date: 2 – 9/14/17
Introduced: September 26, 2017
Public Hearing:
Adopted:
Effective:
Ordinance No.:

**COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND
SITTING AS THE DISTRICT COUNCIL FOR THAT PORTION OF
THE MARYLAND-WASHINGTON REGIONAL DISTRICT WITHIN
MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: Councilmember Riemer
Co-sponsors: Councilmembers Leventhal, Hucker, Katz, Rice, and Navarro and
Council President Berliner

AN AMENDMENT to the Montgomery County Zoning Ordinance to:

- revise the definition and standards for light manufacturing and production;
- allow for the brewing and distilling of alcoholic beverages under certain circumstances;
- allow light manufacturing and production use as a limited use in additional zones; and
- generally amend the provisions for light manufacturing and production

By amending the following sections of the Montgomery County Zoning Ordinance, Chapter 59 of the Montgomery County Code:

Division 3.1.	“Use Table”
Section 3.1.6.	“Use Table”
Division 3.6.	“Industrial Uses”
Section 3.6.4.	“Manufacturing and Production”

EXPLANATION: **Boldface** indicates a Heading or a defined term.
Underlining indicates text that is added to existing law by the original text amendment.
[Single boldface brackets] indicate text that is deleted from existing law by original text amendment.
Double underlining indicates text that is added to the text amendment by amendment.
[[Double boldface brackets]] indicate text that is deleted from the text amendment by amendment.
* * * indicates existing law unaffected by the text amendment.

ORDINANCE

The County Council for Montgomery County, Maryland, sitting as the District Council for that portion of the Maryland-Washington Regional District in Montgomery County, Maryland, approves the following ordinance:

1 **Sec. 1. DIVISION 59-3.1 is amended as follows:**

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3 Section 3.1.6. Use Table

4 The following Use Table identifies uses allowed in each zone. Uses may be
5 modified in Overlay zones under Division 4.9.

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Sec. 2. DIVISION 59-3.6 is amended as follows:

Division 3.6. Industrial Uses

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Section 3.6.4. Manufacturing and Production

* * *

C. Light Manufacturing and Production

1. Defined

Light Manufacturing and Production means a building used for the manufacturing of finished products or parts including processing, fabrication, assembly, treatment, and packaging of such products and parts, and incidental storage, sales, and distribution, where all manufacturing processes and noise, odor from processes other than brewing and baking, smoke, heat, glare and vibration resulting from the manufacturing processes are contained entirely within a building.

2. Use Standards

Where Light Manufacturing and Production is allowed as a limited use, and the subject lot abuts or confronts a property zoned Agricultural, Rural Residential, or Residential Detached that is vacant or improved with an agricultural or residential use, site plan approval is required under Section 7.3.4.

a. In CRN, CR and CRT zones, the only [[allowed]] light manufacturing uses allowed are:

- i. brewing alcoholic beverages up to 22,500 barrels a year;
and
- ii. distilling alcoholic beverages up to 50,000 gallons per year.

ATTACHMENT 1

- 33 b. In the EOF zone, the only use limitations are:
- 34 i. brewing alcoholic beverages up to 60,000 barrels a year;
- 35 and
- 36 ii. distilling alcoholic beverages up to 100,000 gallons per
- 37 year.

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39 **Sec. 3. Effective date.** This ordinance becomes effective 20 days after the

40 date of Council adoption.

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42 This is a correct copy of Council action.

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45 Linda M. Lauer, Clerk of the Council