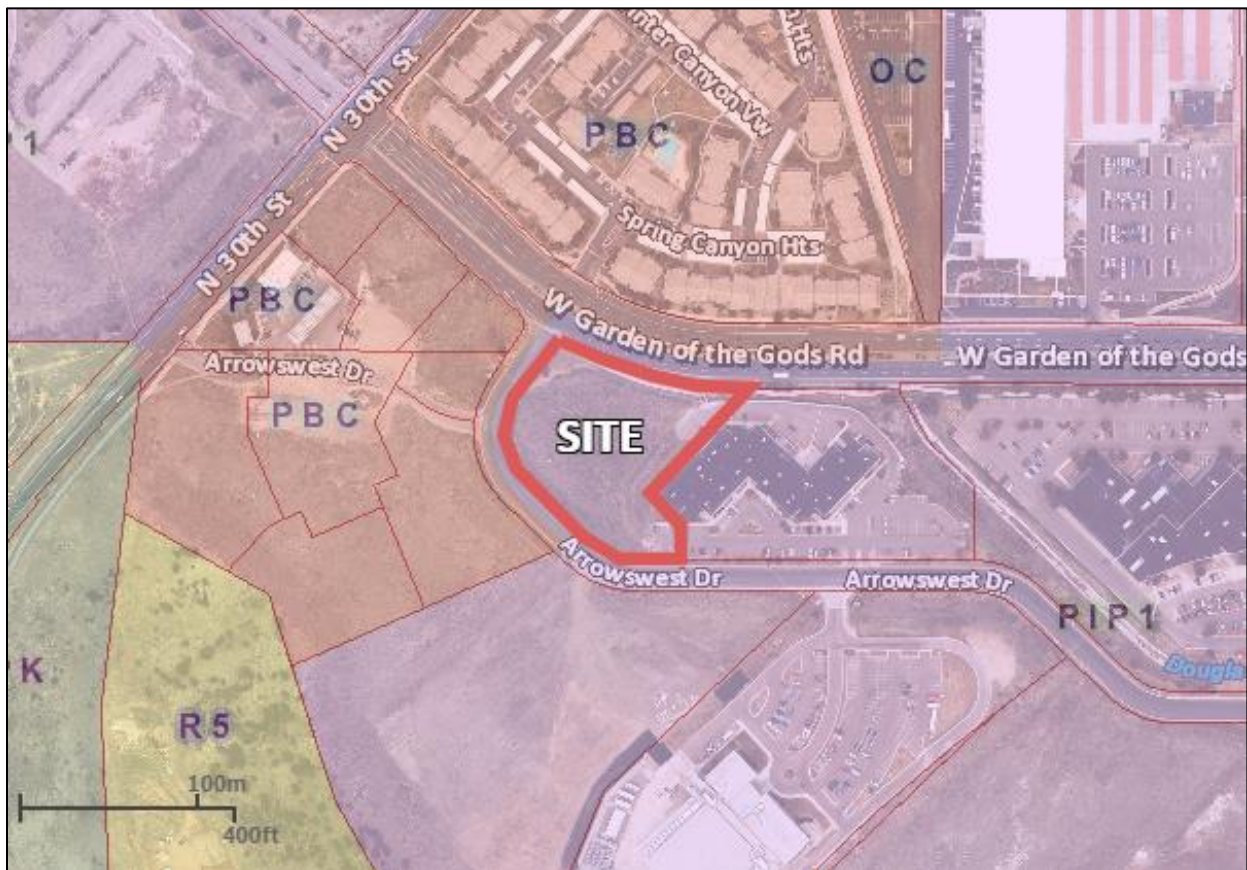


CITY PLANNING COMMISSION AGENDA  
DECEMBER 20, 2018

STAFF: MIKE SCHULTZ

FILE NO(S):  
CPC UV 18-00126 – QUASI-JUDICIAL  
CPC AR 18-00166 – QUASI-JUDICIAL

PROJECT: RED LEG BREWING  
APPLICANT/OWNER: TODD BALDWIN/VIEW PROPERTIES  
CONSULTANT REPRESENTATIVE: RUSSELL + MILLS STUDIOS INC.



**PROJECT SUMMARY**

1. Project Description: The project includes two concurrent applications; a use variance to allow bar/taproom and restaurant uses within a PIP-1 (Planned Industrial Park) zone district and administrative relief relating to off-street parking for the proposed Red Leg Brewing on 2.47 acres. The subject property is located southeast of the intersection at Garden of the Gods Road and Arrowswest Drive.

2. Applicant's Project Statement: (Refer to **FIGURE 1**)
3. Planning and Development Team's Recommendation: Staff recommends approval of the applications.

## **BACKGROUND**

1. Site Address: 4210 Arrowswest Drive
2. Existing Zoning/Land Use: PIP-1/HS (Planned Industrial Park with Hillside Overlay)
3. Surrounding Zoning/Land Use:
  - North*: PBC/CU/HS (Planned Business Center with Conditional Use and Hillside Overlay/Multi-Family Residential (Apartments))
  - South*: PIP-1/HS/Vacant
  - East*: PIP-1/CU/HS/Office/Industrial and Personal Improvement (Fitness Gym)
  - West*: PBC/HS/Vacant lot and convenience store
4. Comprehensive Plan/Designated 2020 Land Use: Employment Center
5. Annexation: Mesa Addition #2, July 1971
6. Master Plan/Designated Master Plan Land Use: This property is not part of a master plan.
7. Subdivision: Arrowswest Filing No. 8
8. Zoning Enforcement Action: None
9. Physical Characteristics: The site is relatively flat with no significant vegetation or hillside characteristics (i.e. steep slopes, rock outcroppings, scrub oak, etc.). The property sits above Garden of the Gods Road and Arrowswest Drive sits slightly above the site.

## **STAKEHOLDER PROCESS AND INVOLVEMENT**

The public process included posting the site and sending postcards to 15 property owners located within a 1000-foot buffer of the subject property including the Garden of the Gods Club LLC and the apartment owners on the north side of Garden of the Gods Road. Staff did not receive any calls or emails in opposition to this proposal.

Staff input is outlined in the following section of this report. Staff sent plans to the standard internal and external review agencies for comments. Besides Land Use Review comments, the review agencies had no comments on the proposed applications. Commenting agencies included Colorado Springs Utilities, City Engineering, City Traffic, City Police and City Fire.

## **ANALYSIS OF REVIEW CRITERIA/MAJOR ISSUES/COMPREHENSIVE PLAN & MASTER PLAN CONFORMANCE**

1. Review Criteria / Design & Development
  - a. Background

The applicant is seeking approval of a use variance and development plan (**FIGURE 2**) that would allow portions of the proposed Red Leg Brewing to be utilized for bar and restaurant purposes. Neither use is permitted within the PIP-1 zone district. Additionally, the applicant is also seeking administrative relief to allow 60 off-street parking stalls where 66 stalls are required.

Red Leg Brewing currently has a facility located at 4630 Forge Road, approximately 1.5 miles east of the subject property, where it manufactures and distributes beer along with a taproom and small patio in front of their facility.

The proposal calls for a 12,219 square foot building that would accommodate 10,006 square feet for manufacturing, warehouse and distribution and a 2,213 square foot

bar/taproom is included on the west side of the building (note: the square footage to taproom includes bathrooms, stairwell and elevator). In addition to the interior bar/taproom the project also proposes a 5,875 square foot outdoor ground level patio and a 2,218 square foot second level patio for a total of 8,093 square feet of outdoor patio area relating to the use of the bar/taproom.

Also proposed are 18 containers measured 8' x 20' (2,880 square feet) that will be repurposed and converted as rentable spaces for restaurant and maker spaces in conjunction with the brewery. These spaces essentially will replace the presence of food trucks, which are a common element at local breweries. The applicant is proposing that the containers will serve as kitchen facilities for tenants to sell food from; the seating area would be the shared area (indoor and outdoor) with the brewery. Some of the spaces will also be used as maker spaces, or people that will construct, build, make or create products that could be made and sold on-site; these products could involve leather goods, art, glass blowing, clothing, etc.

The manufacturing, warehousing and distribution uses are permitted within the PIP-1 (Planned Industrial Park) zone district. The bar/taproom, outdoor patio and accompanying rentable spaces for restaurants and maker spaces are not allowed within the zone district.

b. Brewery/Bar Interpretation

City Staff has utilized a zoning interpretation regarding the allowance of taprooms within breweries. Under the City Code breweries have been classified as *Manufacturing* which the definition partially states "the blending of materials such as lubricating oils, plastics, resins or liquors" (City Code Section 7.2.302.E).

City Code Section 7.3.205.C: Accessory Retail Sales and Services, in part states that retail sales is allowed within industrial zones, but the combined sales area of both inside and outside the principal building shall not occupy more than thirty percent (30%) of the gross floor area of the principal building. Staff has utilized this percentage to allow breweries, located within industrially zoned districts, to include a taproom associated with the manufacturing (brewing) and distribution of beer (this also extends to distilleries and wineries).

The interpretation also allows breweries to be located within commercial zone districts, however the manufacturing has to be in conjunction with and the manufacturing area can be no larger than the bar/taproom. Breweries that locate within commercial zones then have limitations on warehousing and distribution facilities because those operations are generally limited within commercial zones.

Breweries that are increasing production and distribution, such as Red Leg Brewing, are required to locate manufacturing facility within industrial zone districts. However, the City Zoning Code restricts commercial uses such as bars, restaurants and retail uses, normally classified as commercial uses, within industrial zoned districts. The current code does not have a zone that allows a hybrid of manufacturing and commercial uses that would then accommodate the larger brewing facility with accompanying taproom and patio area.

Most recently the City Planning Commission took action on a use variance involving Fieldhouse Brewing (now known as FH Beerworks) in April of this year. The use variance request was similar in that the applicant was proposing a 1,170 square foot bar/taproom

and 6,000 square feet of outdoor space, exceeding the 30% maximum gross floor area. City Planning Commission approved the use variance request.

c. Use Variance/Development Plan

The applicant is seeking approval of a use variance to allow a bar/taproom and restaurant uses within a Planned Industrial Park zone district. The use variance is necessary since the bar/taproom, outdoor patio space and shipping containers to be used for restaurant/maker space will exceed the 30% gross floor area of the building. The development plan illustrates a combined area of 12,546 square feet for taproom/bar, outdoor patio space, second floor patio and the converted shipping containers.

The combined area of the bar/taproom (2,213 square feet), patio (8,093 square feet for main patio and second floor patio) and converted containers for restaurant/maker space (2,880 square feet) would be 13,186 square feet. The total area of the manufacturing, warehouse and distribution is 10,006 square feet.

The bar/taproom ratio to the square footage of the building is only 18%, while the manufacturing, warehouse and distribution component makes up 82%. When taking into account the outdoor space (patio area) of the brewery than the ratio jumps to 57% bar/taproom/patio/containers to 43% for the manufacturing/warehouse/distribution area.

It should be noted that the use of the outdoor patio spaces will be fairly limited in the winter months (December to March), limiting their usage during a quarter of the year.

In addition to the outdoor patio areas the applicant is also proposing an outdoor recreation space on the west side of the property; the space is intended to allow customers to bring dogs and pets, be utilized for yard games and other outdoor recreational uses. Because the area is not intended for seating, the area was considered to be ancillary recreation space to the building and patio space.

The project takes into consideration the adjacent trail network. The Sinton Trail runs parallel to the site and the Foothills Trail runs along 30<sup>th</sup> Street into Garden of the Gods Park. With that in mind, 20 bike racks will be provided on-site that could accommodate 40 bicycles (or more).

The project provides 60 off-street parking stalls, including four (4) handicap accessible parking stalls and 20 on-street parking stalls for a total of 80 parking stalls. There are five (5) stalls located on the northeast portion of the site that the applicant has agreed to allow the adjacent property owner to continue to use for current tenants.

A use variance to allow the bar/taproom and restaurant uses was supported by staff citing that that the use of the property is still primarily to be used for manufacturing, warehousing and distribution and that the property is immediately across the street from commercially zoned property that would allow those uses as a use by right. Additionally, many communities have supported "destination" breweries as they attract tourism to the community; regional examples include Jessup Farm, New

Belgium Brewing and Odell Brewing in Fort Collins; Breckenridge Brewing in Littleton, and Avery Brewing in Boulder (**FIGURE 3**).

Staff considered a change of zone to Planned Unit Development, However, because the property was zoned for the primary use and the proximity of commercial zoning, the combined uses will serve as a transition to from industrial uses to commercial uses.

d. Administrative Relief

The applicant is seeking administrative relief to allow 60 off-street parking stalls where 66 off-street stalls are required. The project is proposing to utilize the recently adopted alternative parking options outlined in Section 7.4.204 of the City Code. The section allows a five (5) percent parking reduction when a property is located within 400-feet of a designated City trail and within 400-feet of a public transit stop. The Sinton Trail runs parallel to the site along Garden of the Gods Road and a public transit stop is located approximately 300-feet to the east of the property. This allows a parking reduction of ten (10) parking stalls.

The applicant is also utilizing the allowance to count on-street parking under subsection B of the above section, this provides an additional 20 parking stalls along Arrowswest Drive. The project proposes a combined total of 80 on and off-street parking stalls along with an additional 20 bike parking stalls, as well the option of bus transit service with a bus stop within 400 feet of the property.

Staff supports the administrative relief to City Code Section 7.4.203 (Parking Space Requirements by Use) for the six (6) off-street parking stalls, allowing 60 off-street stalls where 66 are required. Staff cites that the applicant is providing an excess number of bike racks (20) on the site and the ample amount of on-street parking along both sides of Arrowswest Drive (currently there are no users on the south or west side of Arrowswest Drive). Staff also notes that the applicant has the potential for cross parking agreements with the adjacent property owner to the east.

Staff has provided a map (**FIGURE 3**) illustrating the locations of the bike trails, bus stop and on-street parking along Arrowswest Drive.

2. Conformance with the City Comprehensive Plan

Based on the Comprehensive Plan, the proposed applications appear consistent with the envisioned development patterns for the subject parcel, which is identified as Employment Center.

*Employment Center: Activity centers that are major concentrations of employment supported by a mix of uses that meet the needs of employees and visitors, such as restaurants, lodging, child care, higher density residential, and educational facilities.*

Policy LU 202: Make Natural and Scenic Areas and Greenways an Integral Part of the Land Use Pattern

Treat the City's significant natural features, scenic areas, trail corridors, and greenways as critically important land uses and infrastructure that represent major public and private investments and are an integral part of the city and its land use pattern.

*Strategy LU 203a: Locate the Places that People Use for Their Daily Needs and Activities Close to Each Other*

Group and link the places used for living, working, shopping, schooling, and recreating and make them accessible by transit, bicycle, and foot, as well as by car.

*Policy LU 302: Encourage Development of Mixed-use Activity Centers*

Encourage the development of activity centers designed to include a mix of uses that compliment and support each other, such as commercial, employment-related, institutional, civic, and residential. A walkable, pedestrian friendly environment will tie the mix of uses in activity centers together. Activity centers will vary in size, intensity, scale, and types of uses depending on their function, location, and surroundings. Activity centers will be designed so they are compatible with, accessible from, and serve as a benefit to the surrounding neighborhood or business area.

*Strategy LU 302b: Promote Pedestrian Orientation of New Activity Centers to the Public Right-of-Way and Public Spaces*

Orient buildings within activity centers toward the street, sidewalks, or public spaces to facilitate pedestrian access and circulation.

*Objective LU4: Encourage Infill and Redevelopment*

Encourage infill and redevelopment projects that are in character and context with existing, surrounding development. Infill and redevelopment projects in existing neighborhoods make good use of the City's infrastructure. If properly designed, these projects can serve an important role in achieving quality, mixed-use neighborhoods. In some instances, sensitively designed, high quality infill and redevelopment projects can help stabilize and revitalize existing older neighborhoods.

*Objective LU7: Develop Shopping and Service Areas to be Convenient to Use and Compatible with Their Surroundings.*

Colorado Springs has numerous commercial areas that provide the necessary goods and services for visitors and regional, community, and neighborhood residents. The location and design of these areas not only has a profound effect on the financial success of commercial businesses, but also on the quality of life for the residents. Regardless of whether a commercial development is intended to serve neighborhood, community, citywide, or regional functions, it must be located and designed to balance pedestrian, bicycle, automobile, and, in many cases, transit access. In addition, the location and design of commercial uses must be integrated into surrounding areas, rather than altering the character of surrounding land uses and neighborhoods. Incorporating a mix of uses will increase the diversity and vitality of commercial areas.

*Policy LU 801: Locate New Employment Activities within Mixed-use Centers*

Locate concentrated employment activities within designated mixed-use centers whenever possible. Employment centers will be designed for basic employment uses including light manufacturing, offices, corporate headquarters, as well as other uses of similar character. Include a variety of complementary uses, such as business services, lodging for business travelers, convenience retail, childcare, restaurants, and multifamily housing. Employment activities that cannot be located within mixed-use centers due to large, single employer campuses, or environmental, industrial, and operational constraints, should be planned within the context of complimentary mixed uses in nearby activity centers.

Encouraging an industrial-commercial land use hybrid that is located along a major corridor for both autos and pedestrians will create an area that fulfills multiple needs for area residents. Incorporating a mixture of uses will increase the diversity and vitality of commercial and industrial areas.

Note that the Plan COS document is scheduled for the January 7, 2019 City Council meeting.

3. Conformance with the Area's Master Plan:  
There is no master plan associated with this property.

#### **STAFF RECOMMENDATION**

##### **CPC UV 18-00126 – Use Variance**

Approve the use variance for Red Leg Brewing allowing the use of a bar and restaurant in association with the brewery within a PIP-1 (Planned Industrial Park) zone district based upon the findings that the use variance complies with the three (3) review criteria set forth in City Code Section 7.5.803.B and the development plan review criteria set forth in City Code Section 7.5.502.E.

##### **CPC R 18-00166 – Administrative Relief**

Approve the Red Leg Brewing administrative relief request to allow 60 off-street parking stalls where 60 stalls are required based upon the finding that the administrative relief request complies with the review criteria in City Code Section 7.5.1102.