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CITY of NOVI CITY COUNCIL

Agenda Item 2
March 23, 2015

SUBJECT: Consideration of requests from Ascension Brewing Company, Inc., relating to the establishment of a microbrewery at 42000 Grand River Avenue, Novi, MI 48375:

A) Consideration of a request for Special Land Use approval for service of alcoholic beverages.

B) Consideration of request for a Micro Brewer License.

SUBMITTING DEPARTMENT: City Clerk

CITY MANAGER APPROVAL:

BACKGROUND INFORMATION:

The applicant, Ascension Brewing Company, Inc., by Adam Czap, is proposing to establish a microbrewery called Ascension Brewing Company. Mr. Czap has lived in Novi with his family for 4 years and the Novi/Northville area for the past 8 years. He is currently the owner and manager of Czap Studios, a boutique photography studio, which has been in business for over 7 years.

Ascension Brewing Company is proposed to be located on the north side of Grand River Avenue, between Meadowbrook Road and Novi Road, in the building between Weinstein Jewelers and Novi Reconstructive Dentistry. Mr. Czap indicates that the brewery would bring a creatively fresh, local, and sustainable food menu, as well as craft beers in a family-friendly environment. Mr. Czap believes that the use would be unique within Novi.

Ascension is applying for a Micro Brewer License, which differs from the standard Class C license that the City typically sees. Under the Michigan Liquor Code, "Micro brewer" means a brewer that produces in total less than 60,000 barrels of beer per year and that may sell the beer produced to consumers at the licensed brewery premises for consumption on or off the licensed brewery premises and to retailers..." The MLCC issues the license, but still requires local government approval. The City's liquor control ordinance also requires City Council approval of the license, in the same manner as a regular Class C license or a transfer, since an "on premises" license is defined in the ordinance as "a liquor license to sell alcoholic liquor at retail for consumption on the licensed premises, including Class C, tavern, resort, club, hotel, brewpub and **micro brewer** licenses." However, the license doesn't count as a quota license or require a transfer from another community.

In addition to requiring City Council approval under the City Code, the City recently made liquor licenses subject to special land use approval under the zoning ordinance as well. **Under both ordinance provisions (the liquor control ordinance and the zoning ordinance), the Council is required to make findings to support the grant or denial of the request.**

Special Land Use Approval

The approval of a Special Land Use by the City Council requires findings in support of the City Council's decision. The standards for review under the zoning ordinance for special land use are:

1. The proposed establishment will promote the City's economic development goals and objectives, and will be consistent with the City's master plan and zoning ordinance.
2. Given the character, location, development trends and other aspects of the area in which the proposed use or change in use is requested, it is demonstrated that the use will provide a service, product, or function that is not presently available within the City or that would be unique to the City or to an identifiable area within the City and that the addition of the use or proposed change in use will be an asset to the area.
3. The use or change in use as constructed and operated by the applicant is compatible with the area in which it will be located, and will not have any appreciable negative secondary effects on the area, such as:
 - a. Vehicular and pedestrian traffic, particularly during late night or early morning hours that might disturb area residents;
 - b. Noise, odors, or lights that emanate beyond the site's boundaries onto property in the area on which there are residential dwellings;
 - c. Excessive numbers of persons gathering outside the establishment;
 - d. Peak hours of use that add to the congestion or other negative effects in the neighborhood;
 - e. Fighting, brawling, outside urination or other behavior that can accompany intoxication.

A public hearing was held on March 6, 2015 in the Novi Civic Center for consideration of the Special Land Use (SLU) request for approval for service of alcoholic beverages at the proposed Ascension Brewing Company in accordance with Ordinance No. 18-266, which added Section 2525 to the Novi Zoning Ordinance. The Planning staff had previously reviewed the required application and Site Plan and found the documents to be complete. Kay Shafii, Deputy Assessor, Charles Boulard, Community Development Director, and Rob Hayes, Director of Public Services, considered the request in accordance with the standards for review specified in Section 2525.d of the Zoning Ordinance and determined to forward a **recommendation to City Council for approval of the Special Land Use.**

City Code License Approval

The approval of a liquor license (including a micro brewer license) by the City Council requires findings in support of the City Council's decision. The general licensing policy as stated in Chapter 3 of the City Code states, at Section 3-13, that an applicant must demonstrate in particular that the proposed facility:

- (a) Will provide a service, product, or function that is not presently available within the city or that would be unique to the city or to an identifiable area within the city.
- (b) Is of a character that will foster or generate economic development or growth within the city, or an identifiable area of the city, in a manner consistent with the city's policies.
- (c) Represents an added financial investment on the part of a long-term business or resident with recognized ties to the city and the local community.

More specific review criteria are set forth at subsection 3-15(g), and in addition to the general information regarding the applicant and the facility or building at issue, they require a review of the benefits to the community of the proposed use:

(3) **Benefits to community:**

- a. The effects that the issuance of a license would have upon the economic development of the city or the surrounding area.
- b. The effects that the issuance of a license would have on the health, welfare, and safety of the general public.
- c. Whether the applicant has demonstrated a public need or convenience for the issuance of the liquor license for the business facility at the location proposed, taking into consideration the following, together with other factors deemed relevant by the council:
 - 1. The total number of licenses for similar establishments and/or operations in the city, considered both in terms of whether such number of similar establishments is needed and whether there may be a need for other types of establishments that could go unmet if the requested license were granted.
 - 2. The proximity of the establishment to other licensed liquor establishments, the type of such establishments, whether such other establishments are similar to that proposed, and the anticipated impact of all such determinations.
 - 3. Whether the proposed location is in an area characterized as developed, redeveloping, or undeveloped, and the anticipated impact of approving the newly proposed establishment in light of such character, taking into consideration the need for any type of additional licensed establishment in the area, and the need the particular type of establishment proposed.
- d. The uniqueness of the proposed facility when contrasted against other existing or proposed facilities, and the compatibility of the proposed facility to surrounding architecture and land use.
- e. The permanence of the establishment in the community, as evidenced by the prior or proposed contributions to the city or community by the applicant or business, and the extent to which the issuance of the license will assist in the further investment of the applicant or business in the city or the community.
- f. The character and extent of investment in improvements to the building, premises, and general area.

Both the Police Department and the Fire Department have no objections to the request.

RECOMMENDED ACTION: Consideration of requests from Ascension Brewing Company, Inc. to establish a microbrewery at 42000 Grand River Avenue, Novi, MI 48375:

- A) Approval of Special Land Use approval for service of alcoholic beverages at 42000 Grand River Avenue, Novi, MI 48375.
- B) Approval of a Micro Brewer License to be located at 42000 Grand River Avenue, Novi, MI 48375.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Casey				
Council Member Markham				

	1	2	Y	N
Council Member Mutch				
Council Member Poupard				
Council Member Wrobel				