

MUNICIPALITY OF ANCHORAGE





Planning Department
Current Planning Division

Phone: 907-343-7943
Fax: 907-343-7927

Mayor Ethan Berkowitz

Director's Policy 2017-02 (as amended)

DATE: 8/22/18
TO: Planning Staff
THRU:  Michelle McNulty, Planning Director
FROM:  Dave Whitfield, Current Planning Manager
SUBJECT: Breweries and similar alcoholic beverage manufacturing establishments in the B-3, general business district.

Question: Are breweries and similar alcoholic beverage manufacturing establishments allowed in the B-3 district?

Short Answer: Yes, breweries or similar alcoholic beverage manufacturing establishments are allowed in the B-3 district, if they conform to the standards of the light manufacturing use type. These establishments require an approved conditional use permit or an administrative site plan review when proposed in the B-3 district, although in some cases they may be classified as bars. Bars are permitted in the B-3 district by right.

In addition to breweries, such alcoholic beverage manufacturing uses may include, but are not limited to, similar establishments such as microbreweries, brewpubs, microwineries, and microdistilleries.

Interpretation:

Background

Breweries that offer on-site consumption of craft beer in a bar/restaurant setting have become increasingly popular destinations throughout the U.S. These smaller-scale breweries are sometimes referred to as brewpubs or microbreweries, and typically "have more in common with a restaurant than a factory."¹ This trend includes similar establishments such as microwineries and microdistilleries. To properly accommodate these new uses, many communities across the country are adopting ordinances that recognize the distinction between breweries or similar establishments that dedicate portions of their space to bar- or restaurant-style consumption, and larger facilities that focus almost exclusively on higher-volume alcoholic beverage production and distribution.²

Accordingly, the environmental impacts of these businesses can vary significantly. Since Title 21 does not distinguish between different scales of alcoholic beverage manufacturing establishments, this policy clarifies that some of these establishments may be accommodated as community-serving businesses in B-3 districts.

¹ APA Zoning Practice, Issue 3.14, page 5

² APA Zoning Practice, Issue 3.14

Breweries (Light Manufacturing)

The B-3 district is intended to facilitate “general commercial uses in commercial centers and areas exposed to heavy traffic” in which “a wide range of commercial office, retail and commercial services, other use categories such as residential and community uses, and mixed-use projects, are allowed.”³ In addition to these diverse uses, light manufacturing uses are allowed by conditional use or administrative site plan approval.⁴

All uses considered light manufacturing must have “little or no potential of creating noise, vibration, dust, smoke, fumes, odor, glare, or other environmental impacts on surrounding properties or uses.” Light manufacturing operations “may include production, assembly, finishing, or packaging of articles from parts made at another location,” including goods produced using unrefined raw materials. The light manufacturing use type also acknowledges that the “scale and intensity of operations are limited ... such that [light manufacturing] may be compatible in some commercial areas.”⁵

The *Anchorage 2040 Land Use Plan* designates the B-3 district as appropriate for Town Center, Regional Commercial Center, and City Center land use designations. These areas could benefit from the revitalizing effects of community-serving economic activity that often accompany breweries, microdistilleries, microwineries, etc. As experience in the Municipality and elsewhere shows, breweries and similar businesses also tend to adaptively reuse underutilized structures. These potential benefits support several Essential Strategies laid out in the *Anchorage 2040 Land Use Plan*.⁶

Title 21 also cites that light manufacturing goods “are generally not displayed or sold on site,” but that retail activity may occur if those sales are a “subordinate part” of total sales.⁷ Conversely, Title 21 allows for breweries that emphasize on-site consumption by accommodating them as bars, which Title 21 defines as “an establishment that prepares and retails alcoholic beverages for consumption on the premises. [Bars] may also manufacture malt beverages and provide limited food services.”⁸

Considering the above, some breweries and similar alcoholic beverage manufacturing establishments fit within the definition of light manufacturing and can be accommodated in B-3 districts, provided that they meet relevant conditional use and administrative site plan review standards. Depending on the proportion of a brewery’s goods that are consumed on the premises, some breweries may also be classified as a bar.

Breweries (General Manufacturing)

A large-scale alcoholic beverage manufacturing facility that does not provide opportunities for on-site consumption would very likely be classified as a general manufacturing use. The general manufacturing use type describes the storage, sale, or distribution of a product as “incidental” to the primary objective of manufacturing that product.⁹ General manufacturing uses are not allowed in B-3 districts.

³ AMC 21.04.030D.1

⁴ AMC 21.05-1 Table of Allowed Uses

⁵ AMC 21.05.060A.5

⁶ *Anchorage 2040 Land Use Plan*, Section 3.2. (pgs. 71-79). Strategy 1: Reinvestment Focus Areas, Strategy 8: Preservation and Re-use of Older Buildings, and Strategy 10: Traded Sectors Industrial Site Availability and Readiness.

⁷ AMC 21.05.060B

⁸ AMC 21.05.050E.1

⁹ AMC 21.05.060B.3