Clerk's Note: On page 10, starting at line 117, the phrase "if the number of guests is equal to or lower than the capacity allowed by the Department of Permitting Service's Use and Occupancy Permit for on-site buildings" is deleted to correctly reflect Council action.

CORRECTED

Ordinance No.: 18-51

Zoning Text Amendment No.: 18-03 Concerning: Farm Alcohol Production

Standards

Draft No. & Date: 7 - 10/2/18 Introduced: April 10, 2018 Public Hearing: May 15, 2018 Adopted: October 2, 2018 Effective: October 22, 2018

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

AN AMENDMENT to the Montgomery County Zoning Ordinance to:

- add Farm Alcohol Production as a use allowed in certain zones; and
- establish the standards for Farm Alcohol Production

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

Division 1.4. "Defined Terms"

Section 1.4.2. "Specific Terms and Phrases Defined"

Division 3.1. "Use Table" Section 3.1.6. "Use Table"

Division 3.2. "Agricultural Uses"

Section 3.2.10. "Winery"

Section 3.2.11. "Accessory Agricultural Uses"
Section 3.2.12 "Temporary Agricultural Uses"
Division 8.2. "Residential Floating Zones"

Section 8.2.3. "Use Table for the RT and R-H Zones"

EXPLANATION: Boldface indicates a Heading or a defined term.

<u>Underlining</u> 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 the original text amendment.

<u>Double underlining</u> 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.

OPINION

Zoning Text Amendment No. 18-03 was introduced on April 10, 2018. ZTA 18-03 would allow Farm Alcohol Production in Agricultural and Rural Residential zones under certain circumstances.

Currently, wineries are specifically allowed in Agricultural and Rural Residential zones. ZTA 18-03 would incorporate many of the standards that were applicable to wineries and apply those standards and others to breweries, cideries, and distilleries. In addition to the manufacture of alcoholic beverages, ZTA 18-03 would allow tasting rooms and, to the extent allowed by the state manufacturing license, the sale of food. It would also allow up to nine events a year with 300 or more participants. A larger number of events could only be allowed if the use is approved as a conditional use.

On April 27, 2018, in the memorandum to the Planning Board, Planning staff had no objection to the intent of ZTA 18-03 but thought more conversation was warranted on the issue of events. Planning staff noted that Equestrian Facilities had regulated events in terms of the number of participants, the hours of operation, and the number of events, based on the parcel size. On May 14, 2018, the Planning Board agreed with Planning staff's comments.

The Council's public hearing was conducted on May 15, 2018. Doug Lechlider, speaking on behalf of the Agricultural Advisory Committee, and Ed Boyce, founder of Black Ankle Vineyards, spoke in favor of ZTA 18-03 but expressed a concern that potential amendments to the ZTA may make it too restrictive on how the alcohol producer must use on-site agricultural products; in their opinion, the winery standard of 5 acres of fruit production would not work for breweries. Robert Butz also spoke in support of ZTA 18-03. In his opinion, it will promote a vibrant and successful Agricultural Reserve. Bob Sissle (speaking for the Montgomery Agricultural Producers), Drew Baker (founder of Old Westminster Winery), Jessica Snyder (Waredaca Brewing Company), and Phil Mooth (Brookfield Beer Farm) all supported ZTA 18-03 as a means of favoring the agricultural use of land and agritourism.

Caroline Taylor, speaking on behalf of 11 civic groups and 11 individuals, wanted the ZTA to assure master plan consistency and to mitigate impacts with a clear set of standards. Jim Brown, Sugarloaf Board member, recommended that the Council think about the safety aspects of more

tasting room participants driving on rural roads. He recommended distinguishing the approval process for large "beer halls" (300 participants) and smaller-scale tasting rooms. Tom Hertzog opposed ZTA 18-03. In his opinion, because it removes alcohol production from the requirement for a conditional use, the marketing for tasting rooms would change the character of the Agricultural Reserve.

The Council referred the text amendment to the Planning, Housing, and Economic Development Committee for review and recommendation.

The Planning, Housing, and Economic Development Committee held a worksession on July 23, 2018. The Committee recommended approving ZTA 18-03 with amendments.

The Committee (3-0) reaffirmed its recommendation from July 9, 2018 and recommended adding the following provisions that state:

- 1) the use must be accessory to the farm on which the alcohol production facility is located:
- 2) the specific alcohol producers' licenses must be approved and complied with;
- 3) the majority of the ingredients used in the alcohol production process must be grown in the County or from regionally-grown products (as defined by the Committee's recommendation), if available at competitive prices; and
- 4) a long-range plan to increase the use of local Montgomery County agricultural products in the production process must be submitted to the Department of Permitting Services.

The Council, in the course of 2 meetings on September 14 and October 2, 2018, revised the recommendations of the Committee by:

- 1) further limiting events (ordinary and customary events are limited to 5 ticketed or events with a cover charge; non-farm related events are limited to 225 people a maximum of 50 times per year; a log of events must be maintained; and the number of events may increase with conditional use approval);
- 2) requiring that agricultural products grown on site be used in the alcohol production process (5 acres on site or on abutting property for wineries and one acre of ingredients grown on site for breweries and distilleries);
- 3) requiring a schedule with the plan to increase Montgomery County products in the production process;
- 4) requiring a minimum site size for breweries and distilleries (25 acres for sites that have not been issued an alcohol producer's license);
- 5) requiring a 100-foot setback from a dwelling unit on an abutting property; and
- 6) a schedule to increase the use of products grown on site.

For these reasons, and because to approve this amendment will assist in the coordinated, comprehensive, adjusted, and systematic development of the Maryland-Washington Regional District located in Montgomery County, Zoning Text Amendment No. 18-03 will be approved as amended.

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:

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- Sec. 1. Division 1.4 is amended as follows: 1 2 **Division 1.4. Defined Terms** Section 1.4.2. Specific Terms and Phrases Defined 3 * 4 Agricultural Vending: See Section [3.2.12.A.1] 3.2.11.A.1 5 * * 6 7 Farm Airstrip, Helistop: See Section [3.2.11.A.1] 3.2.10.A.1 **Farm Alcohol Production:** See Section 3.2.10.B.1 8 Farm Market, On-site: See Section [3.2.11.B.1] 3.2.10.C.1 9 * 10 **Regionally-Grown Products:** Grains, fruits, vegetables, flowers, or honey 11 harvested within the 5-state area of Maryland, Virginia, West Virginia, Delaware, 12 and Pennsylvania and the city of Washington, DC. 13 * 14 **Seasonal Outdoor Sales:** See Section [3.2.12.B.1] 3.2.11.B.1 15 * * 16 [Winery: See Section 3.2.10.A] 17 * 18 Sec. 2. Division 3.1 is amended as follows: 19 **Division 3.1. Use Table** 20 * * 21 Section 3.1.6. Use Table 22 23 The following Use Table identifies uses allowed in each zone. Uses may be
- 24 modified in Overlay zones under Division 4.9.

		Rural			Residential									Co	mmere	sial/	Employment											
USE OR USE GROUP	Definitions and	Ag	Residential		Residential Detached				Residential Residential Townhouse Multi-Unit			Commercial/ Residential			Industrial													
Standards	AR	R	RC	RNC	RE-2	RE-2C	RE-1	R-200	R-90	R-60	R-40	TLD	TMD	THD	R-30	R-20	R-10	CRN	CRT	CR	GR	NR	LSC	EOF	IL	I M	IH	
AGRICULTURAL																												
* * *																												
[Winery]	[3.2.10]	[L/ C]	[[L/ C]	[C																							
Accessory Agricultural Uses	[3.2.11] 3.2.10																											
Farm Airstrip, Helistop	[3.2.11.A] 3.2.10.A	<u>C</u>		<u>C</u>																								
Farm Alcohol Production	3.2.10.B	Ľ	긔이	L/C	L/C																							
Farm Market, On-site	[3.2.11.B] 3.2.10.C	L	L	L	L	L	L	L	L	ا	L	L	لــ	L	L	L	L	L	L	L	L	L	L	L	L	L	L	
Temporary Agricultural Uses	[3.2.12] 3.2.11																											
Agricultural Vending	[3.2.12.A] 3.2.11.A					L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	
Seasonal Outdoor Sales	[3.2.12.B] 3.2.11.B	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	
* * *																												

Key: P = Permitted Use L = Limited Use C = Conditional Use Blank Cell = Use Not Allowed

26		Sec.	3. Div	vision (3.2 is amended as follows:
27	Divis	sion 3	.2. Ag	ricultu	ıral Uses
28	* :	* *			
29	[Sect	tion 3.	2.10.	Winer	\mathbf{y}
30	A.	Defi	ned		
31		Win	ery me	eans an	y structure and land for processing grapes or other fruit
32		into	wine f	for sale	e on-site or through wholesale or retail outlets where a
33		mini	mum (of 5 ac	res of grapes or other fruit must be grown on the same
34		parc	el or lo	ot as th	e processing facility.
35	B.	Use	Standa	ards	
36		1.	Whe	ere a W	Vinery is allowed as a limited use, it must satisfy the
37			follo	owing	standards:
38			a.	In th	ne AR zone:
39				i.	A maximum of 9 days of events that require an entrance
40					ticket or a cover charge is allowed each calendar year.
41					Additional events require conditional use approval by the
42					Hearing Examiner under Section 7.3.1.
43				ii.	The maximum lighting level at any lot line is 0.1
44					footcandle.
45			b.	In th	ne R and RC zone, a maximum of 2 special events such as a
46				wed	ding, festival, or other similar event are allowed each
47				cale	ndar year. Additional events require conditional use
48				appr	roval by the Hearing Examiner under Section 7.3.1.
49		2.	Whe	ere a W	Vinery is allowed as a conditional use, it may be permitted
50			by tl	he Hea	aring Examiner under Section 7.3.1, Conditional Use, and
51			the f	followi	ing standards:
52			a.	The	minimum lot area is 10 acres.

53		b.	The minimu	im setback for any structure from any lot line is 75
54			feet, except	that the minimum front setback may be reduced to
55			50 feet if th	e Hearing Examiner finds the reduced setback is
56			compatible	with abutting and confronting agricultural uses.
57		c.	The lot mus	st front on and have access to a road built to primary
58			residential of	or higher standards.]
59	Section [3.2	2.11] <u>(</u>	3.2.10. Access	sory Agricultural Uses
60	* * *			
61	B. <u>Farm</u>	Alco	hol Production	<u>n</u>
62	<u>1.</u>	<u>Defi</u>	ned	
63		<u>Farn</u>	a Alcohol Pro	duction means the transformation of agricultural
64		prod	ucts into alco	holic beverages. Farm Alcohol Production includes
65		wine	<u>eries, cideries,</u>	breweries, or distilleries on farms. Farm Alcohol
66		Prod	luction may ir	nclude other activities unrelated to the production
67		and	sale of alcoho	or farming under certain circumstances.
68	<u>2.</u>	<u>Use</u>	<u>Standards</u>	
69		<u>a.</u>	Where Farn	m Alcohol Production is allowed as a limited use, it
70			must satisfy	the following standards:
71			<u>i.</u> The p	production capacity and associated activities of the
72			alcoh	nolic beverage must comply with the license issued
73			by th	e State of Maryland Comptroller's Office.
74			<u>(a)</u>	A brewery must have a Class 8 Farm Brewery
75				<u>License;</u>
76			<u>(b)</u>	A winery must have a Class 4 Limited Winery
77				License; and
78			<u>(c)</u>	A distillery must have a Class 1 Distillery License.

79	<u>ii.</u>	Some	ingre	dients used in the production process must be
80		growi	<u>n [[on-</u>	site]] on site.
81	<u>iii.</u>	Wine	ries an	d cideries must have at least 5 acres of fruit
82		used i	in alco	hol production grown on site or on abutting
83		or con	<u>nfronti</u>	ng property rented by the producer, and:
84		<u>(a)</u>	have	at least 20 acres of grapes or other fruit in
85			<u>cultiv</u>	vation on property they own, rent, or control;
86			<u>or</u>	
87		<u>(b)</u>	sourc	e a majority of their grapes or other fruit from
88			Mary	<u>land.</u>
89	<u>iv.</u>	Brew	eries a	nd distilleries must source a majority of their
90		ingre	<u>dients,</u>	if available at competitive prices, from
91		Regio	onally-	Grown Products. At least 1.0 acre of
92		ingre	dients	must be grown on site for use in the alcohol
93		produ	iction 1	process.
94	<u>V.</u>	A pla	n with	a schedule to increase the use of local
95		Mont	gomer	y County agricultural products in the
96		produ	iction 1	process must be submitted to the Department
97		of Per	<u>rmittin</u>	g Services.
98	[<u>[iii</u>]]	<u>vi.</u>	The u	underlying land must be classified as
99		<u>agricı</u>	<u>ultural</u>	by the State Department of Assessments and
100		Taxat	tion an	d the facility must be an accessory use of the
101		<u>farm.</u>		
102	[[<u>iv</u>]]	<u>vii.</u>	Subje	ect to all licensing requirements, the facility
103		may:		
104			<u>(a)</u>	operate an on-site tasting room for its
105				products; and

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106		(b) prepare and sell food to the extent allowed
107		by the State alcohol manufacturing license.
108	[[<u>v]]viii.</u>	Events and activities that are normal and
109	custo	mary to the regular operations of a winery, cidery,
110	brew	ery, and distillery, including membership-related
111	event	s and traditional festivals related to agriculture or
112	the b	usiness of alcohol production, are allowed without a
113	<u>limita</u>	ation on the number of guests. A maximum of 5
114	<u>days</u>	of events that require an entrance ticket or a cover
115	<u>charg</u>	ge is allowed each calendar year.
116	[[<u>vi]]ix.</u>	Weddings, corporate retreats, and other events
117	acces	sory to the production of alcohol are allowed:
118	<u>(a)</u>	[[A maximum number of 9 events or activities
119		with more than 300participants is allowed in a
120		calendar year. Additional events with more than
121		300 participants require conditional use approval
122		by the Hearing Examiner under Section 7.3.1.
123		Except as provided in Subsection (b), the
124		maximum number of participants at any event is
125		150. The total maximum number of days of events
126		in a calendar year is 50 including larger events
127		allowed under subsection (b).]] Except as allowed
128		under subsection (c), the maximum number of
129		participants at any event is 225. There is no limit
130		on the number of events with 100 participants or
131		fewer. The total maximum number of days of

132			events in a calendar year is 50 for events with
133			more than 100 participants.
134		<u>(b)</u>	[[All parking must be accommodated on site.]]
135		[[(c)	Noise levels must satisfy Chapter 31B standards.]]
136			A written log of all events must be kept by the
137			holder of the alcohol production license. That log
138			must be available for inspection by the Department
139			of Permitting Services.
140		<u>(c)</u>	As a conditional use under Section 7.3.1, the
141			Hearing Examiner may approve additional days of
142			large public events and events with greater
143			numbers of participants for either normal and
144			customary events or other accessory events.
145	[[<u>vii</u>]]] <u>x</u> .	If any structure is used for activities under
146		subse	ection [[iv, v, or vi]] vii, viii, or ix, the structure must
147		satisf	y all building, life safety, fire, and sanitation code
148		requi	rements.
149	<u>xi.</u>	<u>Illum</u>	ination at the property line must be limited to 0.1
150		footc	andles or less.
151	<u>xii.</u>	All pa	arking must be accommodated on site.
152	<u>xiii.</u>	Noise	e levels must satisfy Chapter 31B standards.
153	<u>xiv.</u>	Any ı	new building or surface parking area used for Farm
154		Alcol	nol Production and related events must be located at
155		<u>least</u>	100 feet from an existing dwelling unit on an
156		<u>abutti</u>	ing property.
157	<u>XV.</u>	In the	e AR zone, except for sites where the property
158		owne	r obtained a Maryland alcohol producer's license

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159					<u>befor</u>	re Octobe	er 2, 2018	s, the min	imum site	e area for	•
160					<u>brew</u>	eries and	distilleri	es is 25 a	cres.		
161				<u>b.</u>	Where Farm	n Alcoho	l Product	tion is all	owed as a	a conditio	<u>nal</u>
162					use, it must	satisfy tl	he standa	rds under	Section	<u>7.3.1.</u>	
163	<u>C.</u>		Farm	Marke	et, On-site						
164	*	*	*								
165	Sec	etio	n [3.	2.12] <u>3</u> .	. <u>2.11</u> . Temp	orary Aş	gricultur	al Uses			
166	*	*	*								
167	B.		Seaso	onal Ou	ıtdoor Sales						
168	*	*	*								
169			2.	Use S	tandards						
170				Wher	e Seasonal (Outdoor S	Sales is al	lowed as	a limited	use, it m	ust
171				satisf	y the follow	ing standa	ards:				
172	*	*	*								
173				d.	Evergreen t	trees may	only be	sold begi	nning the	first Satu	ırday
174					following 7	Thanksgiv	ing Day	through l	December	r 24 th , and	d are
175					exempt from	m Section	n [3.2.12.	B.2.b] <u>3.2</u>	2.11.B.2.1	b and Sec	ction
176					[3.2.12.B.2	.e.ii] <u>3.2.</u>	11.B.2.e.	<u>ii</u> .			
177	*	*	*								
178			Sec.	4. Divi	sion 8.2 is a	mended	as follow	'S:			
179	Div	isi	on 8.	2. Resi	dential Floa	ting Zor	ies				
180	Sec	etio	n 8.2	.3. Use	Table for t	he RT aı	nd R-H Z	Zones			
181	A.		Secti	on 3.1.	1 through Se	ection 3.1	.4 apply	to the Us	e Table ir	n Section	8.2.3.
182	B.		The f	followi	ng Use Tabl	e identifi	es uses al	lowed in	each zon	e. Uses n	nay be
183			modi	fied in	Overlay zon	es under	Division	4.9.			
	USI GR		R US	E	Definitions and	RT-6.0	RT-8.0	RT- 10.0	RT- 12.5	RT- 15.0	R-H

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	Standards						
AGRICULTURAL							
* * *							
Temporary	[3.2.12]						
Agricultural Uses	3.2.11						
Seasonal Outdoor	[3.2.12.B]	pl	p1	p1	p 1	pl	
Sales	3.2.11.B	P	P	P	P	r	

184 **Key:** P = Permitted Use L = Limited Use C = Conditional Use Blank Cell = Use Not

- 185 Allowed
- 186 1 Limited to the sale of Christmas trees between December 5 and December 25.
- 187 * * *
- Sec. 5. Effective date. This ordinance becomes effective 20 days after the
- 189 date of Council adoption.

190

191 This is a correct copy of Council action.

192

193

- 194 Megan Davey Limarzi, Esq.
- 195 Clerk of the Council