HAMPTON VA

Item #22-0169 Zoning Ordinance Amendment Restaurant, ABC, and related changes

City Council July 13, 2022





Amend Section 3-2 "Table of Uses Permitted" Amend Section 3-3 "Additional Standards on Uses"

History/ Issue Statement

- The City Council adopted new zoning regulations
 pertaining to ABC-licensed businesses in 2020
 - Amendments were in response to new state code authority, which permits the City to add a condition to use permits stating that the use permit will expire upon a change in ownership, operation, or after the passage of a period of time
- The amendments restrict ABC-licensed restaurants to a 10:00 PM closure until a use permit is obtained allowing expanded hours
 - 10:00 PM requirement has caused a hardship for businesses
 - Businesses have violated this requirement
- The ABC requirements, in conjunction with live entertainment and outdoor dining requirements, can be confusing for small or start-up businesses
- Staff reviewed these requirements and has drafted proposed amendments to streamline the process



- To consolidate the various uses related to eating and drinking establishments
- Clarify the restrictions related to those uses
- Reduce misunderstandings of restrictions
 for restaurant operators

Existing Ordinance

- 15 existing uses related to operations of dining and drinking establishments, e.g.:
 - "Restaurant, without a drive-through, without a retail alcoholic beverage license"
 - "Restaurant with a retail alcoholic beverage license, with live entertainment 1"
 - "Outdoor dining 1"
 - "Micro-brewery/distillery/winery with live entertainment 2"

Existing Ordinance

- Most of the existing uses require a Zoning Administrator Permit (ZAP) to operate under specific conditions
 - Those with an alcoholic beverage license (ABC license) have a 10 pm closing time restriction
- Those businesses wishing to exceed the restrictions require a Use Permit (UP)

ZAP	Use Permit	ZAP	Use Permit	ZAP	Use Permit	ZAP/UP	ZAP/UP
ABC License 10:00 PA		Live Entertainment 1	Live Entertainment 2	Outdoor Dining 1	Outdoor Dining 2	Outdoor Dining Phoebus	Outdoor Dining Downtown
	Restaurant 1 By-Right		Restaurant 2 ZAP		Restaurant 3 Use Permit		
	No ABC License Hours Limited No L.E. No O.D.		ABC License Hours Limited Limited L.E. Limited O.D.		ABC Hours De L.E. Def O.D. De	P	

ZAP/Use Permit	ZAP/Use Permit	Use Permit					
10 PM closing No live entertainment	Live Entertainment 1	Live Entertainment 2					
	Micro-brewery/distillery/winery ZAP/Use Permit						
	12 AM closing or determined by U Limited L.E. or determined by UP Limited O.D. or determined by UP						

Restaurant 1:

- Hours of operation between 5 am and 2 am
- No operation with ABC license
- No live entertainment
- No outdoor dining
- Drive-through or drive-in is permitted only in C-1, C-2, C-3, RT-1, BB-3, BB-4, BB-5, LBP zoning districts

Restaurant 2 in M-1, M-2, LFA-2, HRC-1, HRC-2, HRC-3 [Limited restaurants]:

- Hours of operation between 5 am and 2 am with no ABC license
- May have with ABC license, if so, hours between 5 am and 12 am
- No live entertainment
- No outdoor dining
- No drive-through or drive-in

Restaurant 2 in DT-1, DT-2, PH-1, PH-2, PH-3, FM-1, FM-2, FM-3, FM-4 [Urban restaurants]:

- Hours of operation between 5 am and 2 am with no ABC license
- May have with ABC license, if so, hours between 5 am and 12 am
- Indoor live entertainment until restaurant closing
- Outdoor dining until restaurant closing
- No drive-through or drive-in

Restaurant 2 in C-1, C-2, C-3, RT-1, BB-3, BB-4, BB-5, LBP [Suburban restaurants]:

- Hours of operation between 5 am and 2 am with no ABC license
- May have with ABC license, if so, hours between 5 am and 12 am
- Indoor live entertainment until restaurant closing
- Outdoor dining until 10 pm
- Drive-through or drive-in is permitted

Restaurant 3:

- UP required
- Specific restrictions will depend on site analysis during UP process
- May have extended hours
- May have ABC license
- May have live entertainment
- May have outdoor dining
- May have drive-through or drive-in

Micro-brewery/distillery/winery:

- On-site drinking hours between 5 am and 12 am; production can continue 24/7
- Restrictions align with "Restaurant 2" categories based on zoning district
- UP required to alter those restrictions

Brewery/winery/distillery:

- On-site drinking hours between 5 am and 12 am; production can continue 24/7
- Restrictions align with "Restaurant 2" categories based on zoning district
- UP required to alter those restrictions

Business Outreach

 Staff coordinated with CCBID, DHDP, and Phoebus Partnership

All 3 groups support the amendment

 Improvement to relax the overly-restrictive
 pm closing time

Recommendations

Planning Commission & Staff recommend **approval** of Item #22-0169