STAFF REPORT

Case No.: 25-ZA-03

Request: Conduct a public hearing and consider the request to amend the Comprehensive Zoning Ordinance Article 5.5 "Beer and Wine Sales Overlay District" and "Appendix C – Maps" to allow beer and wine sales for off-premise consumption on approximately 1.48 acres of property located at 13601 Midway Road; and take appropriate action.

Applicant: Andrew Ruegg, Masterplan

Planning & Zoning Commission Meeting: April 14, 2025

Background:

The subject property is located at the northwest corner of Midway Road and Alpha Road and is currently developed with a one-story bank building. A Specific Use Permit (SUP) has been requested to allow the redevelopment of this site as a gas station and convenience store (case no. 25-SU-02), which is also scheduled for consideration by the Planning & Zoning Commission on April 14, 2025. If approved, the applicant requests the ability to sell beer and wine from the convenience store for off-premise consumption.

Alcohol sales in Farmers Branch are regulated by two separate zoning overlay districts: the "Beer and Wine Sales Overlay District," established in 2014, and the "Alcoholic Beverage (On-Premise) Overlay District," established in 2017. Currently, the subject property is not located in either zoning district. With this request, the applicant proposes to expand the Beer and Wine Sales Overlay to encompass the 1.48-acre subject property, allowing package sales of beer and wine for <u>off-premise</u> consumption only. This request would <u>not</u> allow on-premise consumption of alcohol or liquor sales.

Adjacent Zoning Districts and Land Uses:

Direction	Zoning District	Land Use
North	Planned Development No. 64 (PD-64)	Restaurant/retail
South	Planned Development No. 90 (PD-90)	Office tower
East	Light Industrial (LI)	Restaurant/retail (across Midway Road)
West	Planned Development No. 64 (PD-64)	Multifamily apartments (Prairie Crossing)

Proposed Zoning Amendment:

The Beer and Wine Sales (BW) Overlay District was originally adopted in 2014 and applies to various properties located throughout the city. Currently, 10 subdistricts are listed in Article 5.5 of the Comprehensive Zoning Ordinance (CZO). The closest existing location to the subject property allowing beer and wine sales is "Zone 6" located at the intersection of Midway Road and IH-635/LBJ Freeway. Properties located within this overlay district may have alcohol sales so that patrons can purchase beer and/or wine and take the product with them to another location for consumption (for example, to their residence). The Beer and Wine Sales Overlay District does not allow for on-premise consumption or package sales of liquor.

The subject property is currently zoned Planned Development No. 64 (PD-64), which allows for primarily non-residential uses. The property owner desires to sell beer and wine at the convenience store proposed on this property. Therefore, the applicant proposes to create "Zone 11" by expanding the BW Overlay District to the subject property. This also necessitates an update to Appendix C – Maps of the CZO to illustrate the new proposed overlay district. While the convenience store is proposed to operate 24 hours per day, alcohol sales would only be permitted during the days and times outlined by State law.

Issues for Consideration:

Due to the City's alcoholic beverage regulations existing prior to June 11, 1987, the city is allowed to continue enforcing more restrictive alcoholic beverage regulations than the regulations provided for by state law, specifically the Texas Alcoholic Beverage Code (TABC). As a result, when the city relaxes its' alcoholic beverage regulations including those which apply to a specific area, the city cannot return to the prior more restrictive regulations. Therefore, the alcoholic beverage sales allowances granted within the overlay districts cannot be rescinded as it relates to the subject property once approved. The entitlement for beer and wine sales on this property would remain, regardless of redevelopment of the site or change in user for the proposed gas station.

Comprehensive Plan Recommendation:

The Farmers Branch 2045 Comprehensive Plan designates this site as "Residential-High Density" on the Future Land Use Map. The plan recommends tri- or quad-plexes, townhomes, small-lot detached homes (multiple on the same parcel), or apartments with a density of 12-65 units per acre in this district. The existing bank development and proposed gas station use are non-residential in nature and are <u>not</u> in alignment with the recommendations of the Farmers Branch 2045 Plan.

However, the Comprehensive Plan does recommend "Mixed-Use" development along the majority of the Midway Road corridor, which is intended to encompass a variety of uses including restaurant, retail, and entertainment options. In addition, the City's Entertainment Overlay District is located east of the subject property, across Midway Road.

Public Response:

On April 3, 2025, 10 notification letters were sent to affected property owners as well as to both the Carrollton-Farmers Branch and Dallas Independent School Districts. A zoning notification sign

was posted on the site the same day. As of the writing of this staff report, no written correspondence has been received regarding this SUP request.