



# Sandy City Council Office

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## MEMORANDUM

APRIL 22, 2025

To: Sandy City Council Members

CC: Monica Zoltanski, Mayor  
Shane Pace, CAO  
James Sorensen, Community Development Director  
Dustin Fratto, City Council Executive Director

From: Zach Robinson, Council Member for District 3

Subject: Expanding Permitted Locations for Brew Pubs within Sandy City

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### Executive Summary:

This memorandum addresses the current limitations on brew pub establishments within Sandy City, specifically the restriction of these businesses to primarily the Cairns district. Based on recent research including discussions with City Council and Community Development (CD) staff, I am recommending that the City Council direct CD Staff to draft amendments to the municipal code to both streamline the process, lower the financial barrier to entry, and broaden the locations where brew pubs are permitted within Sandy. I believe that this expansion would likely encourage more of these businesses to locate within Sandy City, potentially enhancing economic development and offering additional amenities to residents.

### Definitions:

For the purposes of this memo:

1. A "brew pub" is defined as an establishment that sells for onsite consumption beer and/or heavy beer brewed on the premises and often includes a restaurant.
2. The term "beer" generally refers to beer with less than 5% alcohol content.
3. The term "heavy beer" generally refers to beer with greater than 5% alcohol content.

### Background:

Currently, the City permits brew pubs, but their location is heavily restricted by both our zoning regulations and state-mandated distance requirements from sensitive land uses (referred to as "community locations" in the [Utah Alcoholic Beverage Control Act, or UABCA](#)). Our municipal code ([21-37-2\(12\)](#)) defines various alcoholic beverage establishments, including manufacturing

licenses (breweries, distilleries, wineries) and on and off-premises licenses (taverns, restaurants), packaging agencies, etc.

Generally speaking, to operate a brew pub in Sandy City today you must:

1. Locate within an zoning district in the Cairns where both alcohol manufacturing, alcohol sales/packaging, restaurants, and taverns/bar establishments are permitted uses.
2. Locate outside of UABCA prescribed distances from community locations (UABCA Section [32B-1-202](#)).
3. Obtain an approved Local Consent Form from Sandy City, noting that the establishment is permitted by our Ordinances at the proposed location.
4. Obtain separate permits for both the manufacturing and the relevant off-premises sales (tavern/bar and/or restaurant) of alcohol through the State of Utah, pay any state required fees, and obtain state required bonds.
5. Obtain a Sandy City Business License, pay city required fees, and obtain city required bonds.

#### **Current Limitations:**

1. **Licensing Complexity and Regulatory Hurdles:** The operation of a brew pub requires multiple licenses, fees, and bonds adding to the regulatory burden and increasing the barrier to entry.
  - a. To operate a brew pub, and depending on the services the establishment provides, an operator will need between 4-8 separate licenses. All but one of these licenses (standard business license, issued by the City) is issued by the State.
  - b. Each individual license requires an annual Sandy business license fee (~\$157-209/license) and an upfront city required cash bond (\$2,000/license). Additionally, the State requires fees and a \$10,000 surety bond.
2. **Zoning Restrictions:** Brew pubs are limited to specific zoning districts in the City. These differ depending on whether the brew pub will include a tavern/bar establishment.
  - a. Within the Cairns: Central Business Districts (CBD), Regional Commercial District (RC), Automall Commercial District (AMc), Mixed Use District (MU).
  - b. Outside of the Cairns: Industrial Development District (ID); cannot serve only alcohol.
3. **Distance Requirements:** The UABCA imposes proximity restrictions for establishments serving alcohol near "community locations."
  - a. "Community locations" include public or private schools, churches, public libraries, public playgrounds, and public parks.
  - b. On-premises Banquet, Package Agency (required for heavy beer), Bar Establishment (required for heavy beer), Reception Center, Tavern (required for beer), Beer Recreational, Resort, Hotel, and State Store licenses must be located at least 600 feet (ordinary pedestrian travel) or 200 feet (straight line) from a community location.
  - c. Restaurant Beer-only (required for beer), Restaurant Limited-service, and Restaurant Full-service (required for heavy beer) licenses must be located at least

300 feet (ordinary pedestrian travel) or 200 feet (straight line) from a community location.

### **Recommendation:**

To encourage new brew pubs within Sandy City, I recommend that the Council:

1. **Direct CD Staff to investigate streamlining licensing and other regulatory hurdles for brew pubs.** Does the City have the ability to simplify the permitting process or to lower the financial barriers to entry (should we do away with our required cash bonds? Should fees be adjusted?) for parties interested in opening a brew pub?
2. **Direct CD staff to ensure that our current regulations on this topic are aligned with state statute.** Do our existing definitions, license types, etc. align with those found in the UABCA?
3. **Direct CD Staff to draft amendments to the municipal code to expand the permitted zoning districts for brew pubs that sell beer and/or heavy beer.** This would involve a comprehensive review of the current zoning regulations and consideration of potential impacts on surrounding areas. In broad terms, the amendments should accomplish the following:
  - a. Remove any regulations that limit brew pubs to only the Cairns District.
  - b. Expand which commercial zoning districts permit brew pubs in Sandy. In addition to the zoning districts listed above, I would like Community Development Staff to consider and advise the council as to whether the following commercial districts should be amended to permit a brew pub:
    - Planned Unit Development Commercial (CR-PUD)
    - Boulevard Commercial District (BC)
    - Planned Center Community District (CC)
    - Planned Center Neighborhood District (CN)
    - Planned Center Convenience District (CvC)
    - Planned Center Neighborhood District (Historic Sandy) (CN(HSN))
    - Historic Boulevard Commercial District (HBD)
    - Limited Commercial District (LC)
    - Professional Office District (PO)
    - Research Development District (RD)
4. **Remember, even if Sandy expands where we permit brew pubs, they will still be limited by the UABCA.** This includes limits on city control over required licenses and limits on the location of brew pubs through the distance requirements described in this memo.

The drafts and recommendations being requested from CD staff should be presented to the council at a city council meeting no later than 60 days from the date the Council approves this proposal. Following the CD presentation and review of the draft documents by the Council, any proposed amendments will go through the standard code amendment process, including review by City Staff, review by the Planning Commission, and all required notices and public hearings.

By ensuring that our processes are streamlined, lowering the financial barrier to entry, and broadening the permitted locations for brew pubs, Sandy City can attract new businesses, increase economic activity, and provide additional amenities for residents. This will require a careful review of the current regulations and a commitment to creating a more business-friendly environment while remaining compliant with state law and in alignment with the desires and needs of Sandy residents and business owners.