

**CITY OF BARDSTOWN, KENTUCKY**  
**WORKING SESSION CITY COUNCIL MEETING MINUTES**  
**03-07-2017**  
**5:00 PM**

The City Council met in regular session in the Council Chambers with Mayor Royalty and the following Councilmen:

Councilman Buckman  
Councilman Copeland  
Councilman Heaton  
Councilman Kelley  
Councilman Sheckles - **absent**  
Councilman Williams

Others present: City Attorney Tim Butler, Chief Financial Officer Tracey Hudson, Police Chief Steve Uram, Executive Assistant Beth Donahue, Nelson County Gazette Reporter Jim Brooks, The Kentucky Standard Reporter Randy Patrick, and citizens Jimmy Yocum, Barbara Werner and Larry Donahue.

The Mayor called the meeting to order.

**FINANCE COMMITTEE MEETING MINUTES**

The Council discussed multiple topics from the Finance Committee Meeting held February 23, 2017. The minutes were reviewed.

**SECOND READING – B2017-05 ZONING REGULATIONS AMENDMENTS**

**ORDINANCE NO. B2017 – 05**

**AN ORDINANCE RELATING TO AN ORDINANCE AMENDING AND ADOPTING AS AMENDED ZONING REGULATIONS FOR THE CITIES OF BARDSTOWN, BLOOMFIELD, FAIRFIELD, NEW HAVEN AND NELSON COUNTY, KENTUCKY, BY AMENDING SECTION 5 DEFINITIONS AND SECTION 6 ZONING DISTRICTS.**

**WHEREAS:** Pursuant to KRS 100.211 (2), on 02-07-2017, the Joint City-County Planning Commission held a public hearing and subsequently on 02-07-2017, the Planning Commission unanimously voted to recommend approval of the proposed amendments to the Zoning Regulations for All of Nelson County.

**NOW THEREFORE, BE IT ORDAINED BY THE CITY OF BARDSTOWN,** that from and after the passage, approval, and publication of this Ordinance, that the texts of Section 5: Definitions, and Section 6: Zoning Districts, are hereby amended as follows:

**SECTION V**

That DEFINITIONS be amended to delete the definition for Craft Distillery and create the definitions for Craft Distillery Type I and Type II as follows:

~~{Craft distillery: A small operation that produces distilled spirits of 50,000 gallons or less per calendar year at the premises, including any product distilled off-site and/or shipped in to be blended and/or bottled on site, under the terms and conditions of applicable laws, rules, and regulations.}~~

**Craft Distillery, Type I: A facility that produces distilled spirits of 50,000 gallons or less per calendar year on site. Such facility may include a tasting room or retail space to sell products only manufactured on site, unless otherwise allowed by the underlying zone. Also referred to as micro, artisan, or boutique distillery.**

**Craft Distillery, Type II: A facility that produces distilled spirits of 500,000 gallons or less per calendar year on site. Such facility may include a tasting room or retail space to sell products only manufactured on site, unless otherwise allowed by the underlying zone. Also referred to as micro, artisan, or boutique distillery.**

**SECTION VI**

That Section 6.1 AGRICULTURE DISTRICTS (A-1) (C) Conditional Uses Permitted (7) be amended to allow distilled spirits storage as conditional use on tracts between 50 and 100 acres in size A-1 zoning district (not applicable for the City of Bardstown) and (12) be amended to increase maximum building size and allow serving alcohol by the drink for event facilities in A-1 zoning districts (not applicable for the City of Bardstown) as follows:

Section 6.1: Agriculture District (A-1)

C. Conditional Uses Permitted

~~[(7) Intentionally omitted ]~~ **(7) Distilled Spirits Storage on tracts between 50 and 100 acres in size. Prior to the approval of a conditional use permit hereunder, the BOA must consider the impact of the proposed use upon surrounding properties and insure that the character of the area is protected. This type of establishment shall not be considered as altering the agricultural or residential character of its particular area and shall not be justification for zoning map amendments. Any conditional use permit issued hereunder must meet the mandatory requirements for approval set out in KRS 100.237, Section 4.3C of this Ordinance, as well as the following mandatory requirements: (1) the property shall be located within the Rural or Naturally Sensitive Areas as shown on the Future Land Use Maps of the adopted Comprehensive Plan; (2) the construction type shall be limited to rack supported structures protected throughout by an automatic fire suppression system (sprinklered); (3) The maximum size of any single structure shall not exceed a footprint of 40,000 square feet, excluding stairwells and open docks, and shall not exceed 60 feet in height; (4) All structures shall be set back a minimum of 200 feet from property lines; (5) At least 25 percent of the property shall be dedicated to agricultural uses as defined in KRS 100 and/or preserved as a conservation area; and (6) As part of the application process, the property owner shall agree that if the use ever exceeds the conditions of an approved permit, the property owner must take the necessary steps to come into compliance, cease operations, and/or relocate to an appropriately zoned location. (Not applicable in the Cities of Bardstown, Bloomfield, Fairfield & New Haven)**

(12) Event facilities allowing meetings, weddings, receptions, and other related events or gatherings on private property. Prior to the approval of a conditional use permit hereunder, the BOA must consider the impact of the proposed use upon surrounding properties and insure that the character of the area is protected. This type of establishment shall not be considered as altering the agricultural or residential character of its particular area and shall not be justification for zoning map amendments. Any conditional use permit issued hereunder must meet the mandatory requirements for approval set out in KRS 100.237 and Section 4.3C of this Ordinance as well as the following mandatory requirements: (1) the facility shall involve one structure not exceeding ~~[2,500]~~ **4,500** square feet in size; (2) no more than one event per day shall be allowed, and frequency of events on monthly and annual basis shall be based on the capacity of the site and shall be specified in the application; (3) the maximum number of guests shall be based on the capacity of the site and structure and shall be specified in the application, but the maximum number of guests shall be limited to 300 guests at any one event; (4) if a facility is located within 100 feet from the property line of an adjoining residential use, no event shall take place outside the hours of 7:00 a.m. and 12:00 a.m.; (5) all driveways must be approved for commercial use through an entrance/encroachment permit by the appropriate agency; (6) parking areas must comply with the standards set forth in the Zoning Regulations, and these areas must be set back a minimum of 100 feet from any adjoining residential structures and must be buffered by solid screening; (7) the design of the facility shall include features that acoustically shield any noise from the surrounding property; (8) all exterior structure and site lighting shall be limited to full-cutoff fixtures and light intensity shall not exceed 0.5 foot candles at the property line adjoining agricultural and residential use and zoning or 1.0 foot candles adjoining any non-residential zoning or use to minimize glare and trespass onto adjoining properties; **(9) the facility shall be allowed to serve wine, beer, and alcohol by the drink, but the Owner must provide evidence of approved liquor licenses and comply with all applicable laws, regulations, and rules;** ~~[(9)]~~ **(10)** As part of the application process, the property owner shall agree that if the use ever exceeds the conditions of an approved permit, the property owner must take the necessary steps to come into compliance, cease operations, and/or relocate to an appropriately zoned location. **(Not applicable in the Cities of Bardstown, Bloomfield, Fairfield & New Haven)**

That Section 6.12: CENTRAL BUSINESS DISTRICT (B-2), (C) Conditional Uses Permitted (4) be amended to eliminate craft distillery and expand use association and to create (5) to allow Craft Distillery, Type I in B-2 zoning as follows:

Section 6.12: Central Business District (B-2)

C. Conditional Uses Permitted

- (4) Micro-Brewery [or Craft Distillery]. The intent of this conditional use is to allow micro-breweries ~~[or craft distilleries as accessory uses to]~~ **supporting** permitted eating and drinking establishments, **event facilities, or similar uses.** ~~[and such uses shall be non-distributed.]~~ Prior to the approval of a conditional use permit hereunder, the BOA must consider the impact of the proposed use upon surrounding properties and insure that the character of the area is protected. Any conditional use permit issued hereunder must meet the mandatory requirements for approval set out in KRS 100.237 and Section 4.3C of this Ordinance. The BOA also may impose conditions that ensure compatibility and appropriateness of the proposed use, and such conditions may include, but are not limited to, limitations on hours of operation, screening and buffering, etc.
- (5) **Craft Distillery, Type I. The intent of this conditional use is to allow craft distilleries supporting permitted eating and drinking establishments, event facilities, or similar uses. Prior to the approval of a conditional use permit hereunder, the BOA must consider the impact of the proposed use upon surrounding properties and insure that the character of the area is protected. Any conditional use permit issued hereunder must meet the mandatory requirements for approval set out in KRS 100.237 and the following minimum criteria:**

- (a) The use and any associated use on the property shall serve alcohol by the drink only in accordance with the underlying zoning requirements;
- (b) All processing, production, manufacturing, distilling, brewing, and/or bottling associated with such distillery shall be located within a fully enclosed building;
- (c) Outdoor storage of materials, equipment, or supplies is prohibited;
- (d) All loading and unloading areas shall be oriented away from public streets, whenever feasible;
- (e) The use shall have no more than 240 gallons of barreled distilled spirits stored on site during any 24-hour period;
- (f) All facilities shall have an automatic fire sprinkler system;
- (g) All facilities shall be served by public water and sanitary sewer;
- (h) The Owner must provide evidence of annual production from the Alcohol and Tobacco Tax and Trade Bureau at the time of the annual inspection; and,
- (i) The BOA also may impose conditions that ensure compatibility and appropriateness of the proposed use, and such conditions may include, but are not limited to, limitations on hours of operation, screening and buffering, etc.

That Section 6.13: REGIONAL RETAIL BUSINESS DISTRICT (B-3), (C) Conditional Uses Permitted (4) be amended to eliminate craft distilleries and expand use association and create (5) to allow Craft Distillery, Type II in B-3 zoning as follows:

Section 6.13: Regional Retail Business District (B-3)

C. Conditional Uses Permitted

- (4) ~~Micro-Brewery [or Craft Distillery].~~ The intent of this conditional use is to allow micro-breweries ~~[or craft distilleries as accessory uses to]~~ supporting permitted eating and drinking establishments, event facilities, or similar uses. ~~[and such uses shall be non-distributed.]~~ Prior to the approval of a conditional use permit hereunder, the BOA must consider the impact of the proposed use upon surrounding properties and insure that the character of the area is protected. Any conditional use permit issued hereunder must meet the mandatory requirements for approval set out in KRS 100.237 and Section 4.3C of this Ordinance. The BOA also may impose conditions that ensure compatibility and appropriateness of the proposed use, and such conditions may include, but are not limited to, limitations on hours of operation, screening and buffering, etc.
- (5) Craft Distillery, Type II. The intent of this conditional use is to allow craft distilleries supporting permitted eating and drinking establishments, event facilities, or similar uses. Prior to the approval of a conditional use permit hereunder, the BOA must consider the impact of the proposed use upon surrounding properties and insure that the character of the area is protected. Any conditional use permit issued hereunder must meet the mandatory requirements for approval set out in KRS 100.237 and the following minimum criteria:
  - (a) The use and any associated use on the property shall serve alcohol by the drink only in accordance with the underlying zoning requirements;
  - (b) All processing, production, manufacturing, distilling, brewing, and/or bottling associated with such distillery shall be located within a fully enclosed building;
  - (c) Outdoor storage of materials, equipment, or supplies is not allowed, unless otherwise allowed by the underlying zoning;
  - (d) All loading and unloading areas shall be oriented away from public streets, whenever feasible;
  - (e) The use shall have no more than 240 gallons of barreled distilled spirits stored on site during any 24-hour period;
  - (f) All facilities shall have an automatic fire sprinkler system;
  - (g) All facilities shall be served by public water and sanitary sewer;
  - (h) The Owner must provide evidence of annual production from the Alcohol and Tobacco Tax and Trade Bureau at the time of the annual inspection; and,
  - (i) The BOA also may impose conditions that ensure compatibility and appropriateness of the proposed use, and such conditions may include, but are not limited to, limitations on hours of operation, screening and buffering, etc.

That Section 6.14: GENERAL BUSINESS DISTRICT (B-4), (C) Conditional Uses Permitted (3) be amended to eliminate craft distilleries and expand use association and create (4) to allow Craft Distillery, Type II in B-4 zoning as follows:

Section 6.14: General Business District (B-4)

C. Conditional Uses Permitted

- (3) ~~Micro-Brewery [or Craft Distillery].~~ The intent of this conditional use is to allow micro-breweries ~~[or craft distilleries as accessory uses to]~~ supporting permitted eating and drinking establishments, event facilities, or similar uses. ~~[and such uses shall be non-distributed.]~~ Prior to the approval of a conditional use permit hereunder, the BOA must consider the impact of the proposed use upon surrounding properties and insure that the character of the area is protected. Any conditional use permit issued hereunder must meet the mandatory requirements for approval set out in KRS 100.237 and Section 4.3C of this Ordinance. The BOA also may impose conditions that ensure compatibility and appropriateness of the proposed use, and such conditions may include, but are not limited to,

limitations on hours of operation, screening and buffering, etc.

- (4) **Craft Distillery, Type II. The intent of this conditional use is to allow craft distilleries supporting permitted eating and drinking establishments, event facilities, or similar uses. Prior to the approval of a conditional use permit hereunder, the BOA must consider the impact of the proposed use upon surrounding properties and insure that the character of the area is protected. Any conditional use permit issued hereunder must meet the mandatory requirements for approval set out in KRS 100.237 and the following minimum criteria:**
- (a) **The use and any associated use on the property shall serve alcohol by the drink only in accordance with the underlying zoning requirements;**
  - (b) **All processing, production, manufacturing, distilling, brewing, and/or bottling associated with such distillery shall be located within a fully enclosed building;**
  - (c) **Outdoor storage of materials, equipment, or supplies is not allowed, unless otherwise allowed by the underlying zoning;**
  - (d) **All loading and unloading areas shall be oriented away from public streets, whenever feasible;**
  - (e) **The use shall have no more than 240 gallons of barreled distilled spirits stored on site during any 24-hour period;**
  - (f) **All facilities shall have an automatic fire sprinkler system;**
  - (g) **All facilities shall be served by public water and sanitary sewer;**
  - (h) **The Owner must provide evidence of annual production from the Alcohol and Tobacco Tax and Trade Bureau at the time of annual inspection; and,**
  - (i) **The BOA also may impose conditions that ensure compatibility and appropriateness of the proposed use, and such conditions may include, but are not limited to, limitations on hours of operation, screening and buffering, etc.**

That Section 6.15: RETAIL COMPLEX DISTRICT (B-5), (C) Conditional Uses Permitted (3) be amended to eliminate craft distilleries and expand use association and create (4) to allow Craft Distillery, Type II in B-5 zoning as follows:

#### **Section 6.15: Retail Complex District (B-5)**

##### **C. Conditional Uses Permitted**

- (3) ~~Micro-Brewery [or Craft Distillery].~~ The intent of this conditional use is to allow micro-breweries ~~[or craft distilleries as accessory uses to]~~ **supporting permitted eating and drinking establishments, event facilities, or similar uses.** ~~[and such uses shall be non-distributed.]~~ Prior to the approval of a conditional use permit hereunder, the BOA must consider the impact of the proposed use upon surrounding properties and insure that the character of the area is protected. Any conditional use permit issued hereunder must meet the mandatory requirements for approval set out in KRS 100.237 and Section 4.3C of this Ordinance. The BOA also may impose conditions that ensure compatibility and appropriateness of the proposed use, and such conditions may include, but are not limited to, limitations on hours of operation, screening and buffering, etc.
- (4) **Craft Distillery, Type II. The intent of this conditional use is to allow craft distilleries supporting permitted eating and drinking establishments, event facilities, or similar uses. Prior to the approval of a conditional use permit hereunder, the BOA must consider the impact of the proposed use upon surrounding properties and insure that the character of the area is protected. Any conditional use permit issued hereunder must meet the mandatory requirements for approval set out in KRS 100.237 and the following minimum criteria:**
- (a) **The use and any associated use on the property shall serve alcohol by the drink only in accordance with the underlying zoning requirements;**
  - (b) **All processing, production, manufacturing, distilling, brewing, and/or bottling associated with such distillery shall be located within a fully enclosed building;**
  - (c) **Outdoor storage of materials, equipment, or supplies is not allowed, unless otherwise allowed by the underlying zoning;**
  - (d) **All loading and unloading areas shall be oriented away from public streets, whenever feasible;**
  - (e) **The use shall have no more than 240 gallons of barreled distilled spirits stored on site during any 24-hour period;**
  - (f) **All facilities shall have an automatic fire sprinkler system;**
  - (g) **All facilities shall be served by public water and sanitary sewer;**
  - (h) **The Owner must provide evidence of annual production from the Alcohol and Tobacco Tax and Trade Bureau at the time of annual inspection; and,**
  - (i) **The BOA also may impose conditions that ensure compatibility and appropriateness of the proposed use, and such conditions may include, but are not limited to, limitations on hours of operation, screening and buffering, etc.**

That Section 6.16: LIGHT INDUSTRIAL COMMERCIAL PARK (LIP), (C) Conditional Uses Permitted (3) and (4) be amended to eliminate craft distilleries and expand use association and create (4) to allow Craft Distillery, Type II in LIP zoning as follows:

#### **Section 6.16: Light Industrial Commercial Park (LIP)**

Conditional Uses Permitted

- (3) ~~Micro-Brewery [or Craft Distillery].~~ The intent of this conditional use is to allow micro-breweries [~~or craft distilleries as accessory uses to~~] **supporting permitted eating and drinking establishments, event facilities, or similar uses.** [~~and such uses shall be non-distributed.~~] Prior to the approval of a conditional use permit hereunder, the BOA must consider the impact of the proposed use upon surrounding properties and insure that the character of the area is protected. Any conditional use permit issued hereunder must meet the mandatory requirements for approval set out in KRS 100.237 and Section 4.3C of this Ordinance. The BOA also may impose conditions that ensure compatibility and appropriateness of the proposed use, and such conditions may include, but are not limited to, limitations on hours of operation, screening and buffering, etc.
- (4) **Craft Distillery, Type II. The intent of this conditional use is to allow craft distilleries supporting permitted eating and drinking establishments, event facilities, or similar uses. Prior to the approval of a conditional use permit hereunder, the BOA must consider the impact of the proposed use upon surrounding properties and insure that the character of the area is protected. Any conditional use permit issued hereunder must meet the mandatory requirements for approval set out in KRS 100.237 and the following minimum criteria:**
  - (a) **The use and any associated use on the property shall serve alcohol by the drink only in accordance with the underlying zoning requirements;**
  - (b) **All processing, production, manufacturing, distilling, brewing, and/or bottling associated with such distillery shall be located within a fully enclosed building;**
  - (c) **Outdoor storage of materials, equipment, or supplies is not allowed, unless otherwise allowed by the underlying zoning;**
  - (d) **All loading and unloading areas shall be oriented away from public streets, whenever feasible;**
  - (e) **The use shall have no more than 240 gallons of barreled distilled spirits stored on site during any 24-hour period;**
  - (f) **All facilities shall have an automatic fire sprinkler system;**
  - (g) **All facilities shall be served by public water and sanitary sewer;**
  - (h) **The Owner must provide evidence of annual production from the Alcohol and Tobacco Tax and Trade Bureau at the time of annual inspection; and,**
  - (i) **The BOA also may impose conditions that ensure compatibility and appropriateness of the proposed use, and such conditions may include, but are not limited to, limitations on hours of operation, screening and buffering, etc.**

This ordinance or parts of ordinances in conflict herewith are repealed to the extent of such conflict. This ordinance shall be in full force and effect following publication as required by law.

COUNCILMAN HEATON MOVED TO APPROVE ORDINANCE B2017-05 ZONING REGULATIONS AMENDMENTS. THE MOTION WAS DULY SECONDED BY COUNCILMAN BUCKMAN.

THE MAYOR CALLED THE ROLL AND THE FOLLOWING VOTED:

COUNCILMAN HEATON	-	AYE
COUNCILMAN WILLIAMS	-	AYE
COUNCILMAN BUCKMAN	-	AYE
COUNCILMAN COPELAND	-	AYE
COUNCILMAN KELLEY	-	AYE

MAYOR ROYALTY THEN DECLARED ORDINANCE NO. B2017-05 ADOPTED. IT WILL BE RECORDED IN ORDINANCE BOOK NO. 10, PAGE NO. \_\_\_\_\_.

**NEW APPOINTMENT FOR THE JOINT ETHICS BOARD**

COUNCILMAN WILLIAMS MOVED TO APPROVE THE NEW APPOINTMENT OF JIM TAYLOR TO THE JOINT ETHICS BOARD, WITH A 3 YEAR TERM THAT EXPIRES ON DECEMBER 27, 2019. THE MOTION WAS DULY SECONDED BY COUNCILMAN HEATON AND CARRIED BY A VOTE OF 5 TO 0.

**PROPOSED ORDINANCE B2017 – BUDGET AMENDMENTS FOR FY 2016-2017**

Councilman Williams introduced the proposed ordinance and requested a first reading. City Attorney Butler read the ordinance that will adjust the budget due to unanticipated changes in both revenues and expenditures. No vote was taken. The Council all agreed that CFO Hudson was very descriptive with the materials presented for the budget amendment.

**MISCELLANEOUS**

Mayor Royalty expressed his gratitude to the Bardstown Fire Department for their quick response to the storage building fire that occurred March 1, 2017. Mayor Royalty explained that without the 24 hour shifts and the ladder truck, many more storage buildings would have been lost.

**ADJOURNMENT**

**COUNCILMAN HEATON MOVED TO ADJOURN THE WORKING SESSION MEETING AT 5:31PM. THE MOTION WAS DULY SECONDED BY COUNCILMAN WILLIAMS AND CARRIED A VOTE OF 5 TO 0.**

**CITY OF BARDSTOWN**

\_\_\_\_\_  
John Royalty, Mayor

**ATTEST:**

\_\_\_\_\_  
Barbara Bryant, City Clerk