

**PENINSULA TOWNSHIP, GRAND TRAVERSE COUNTY, MICHIGAN
DRAFT FARM PROCESSING FACILITY AMENDMENTS (AMENDMENT 201)**

1. New, deleted and amended definitions in Section 3.2:

Farm Operation: A Farm Operation is a person, corporation, partnership, or other legal entity engaged in the business of active production of agricultural crops on land that it controls and operates within Peninsula Township. **(ADDED BY AMENDMENT 201)**

[Delete definition of Farm Processing Facility]

Retail Farm Processing Facility – With Indoor Sales: A Retail Farm Processing Facility is an accessory use to the active production of agricultural crops. The building or buildings used as part of the Retail Farm Processing Facility contain an area for processing equipment where Raw Produce is processed or packaged and prepared for wholesale and/or retail sales. In addition to processing, the building(s) may also include a limited area indoors for retail sales to customers. Processing and retail sales shall be conducted within an entirely enclosed building(s). An indoor retail sales area may include a Tasting Room for the consumption of fresh or processed Raw Produce, including wine. The facility also includes necessary access from a public road as well as parking, lighting and landscaping. **(ADDED BY AMENDMENT 201)**

Retail Farm Processing Facility – With Indoor Sales and Outdoor Seating Area: A Retail Farm Processing Facility is an accessory use to the active production of agricultural crops. The building or buildings used as part of the Retail Farm Processing Facility contain an area for processing equipment where Raw Produce is processed or packaged and prepared for wholesale and/or retail sales. In addition to processing, the building(s) may also include a limited area indoors for retail sales to customers. Processing and retail sales shall be conducted within an entirely enclosed building(s). A retail sales area may include a Tasting Room for the consumption of fresh or processed Raw Produce, including wine. In addition to a limited indoor retail sales area with a Tasting Room, a clearly defined outdoor seating area with limited seating capacity may be approved. The facility also includes necessary access from a public road as well as parking, lighting and landscaping. **(ADDED BY AMENDMENT 201)**

Wholesale Farm Processing Facility: A Wholesale Farm Processing Facility is an accessory use to the active production of agricultural crops. The building or buildings contain an area for processing equipment where Raw Produce is processed or packaged and prepared for wholesale sales. Processing shall be conducted within an entirely enclosed building(s). The facility also includes necessary access from a public road as well as parking, lighting and landscaping. **(ADDED BY AMENDMENT NO 139A AND UPDATED BY AMENDMENT 201)**

Raw Produce: Raw Produce includes agricultural food products in their natural state as harvested, prior to processing. **(ADDED BY AMENDMENT 201)**

Vested Right: A Vested Right is a right protected by law that cannot be impaired or taken away without the owner's consent. **(ADDED BY AMENDMENT 201)**

[Delete definition of Winery-Chateau]

Winery: A Winery is a state licensed facility where agricultural fruit production is maintained, juice is processed into wine from Raw Produce, stored in bulk, packaged, and sold at retail or wholesale to the public with or without the use of a Tasting Room. The site and buildings are used for the production of wine. **(ADDED BY AMENDMENT NO 139A) (REVISED BY AMENDMENT 181 AND UPDATED BY AMENDMENT 201)**

2. Amended Subsection 6.7.2 (19):

(19) Wholesale Farm Processing Facility: (UPDATED BY AMENDMENT 201)

- (a) Statement of Intent: It is the intent of this subsection to promote a thriving local agricultural production industry and preserve the rural character within the Township by allowing the construction and use of a Wholesale Farm Processing Facility where and when accessory to a minimum acreage of land in active crop production. The Wholesale Farm Processing Facility use includes wholesale sales of fresh and processed Raw Produce only. The majority of the Raw Produce sold fresh or processed shall be grown on land within the Township exclusively operated and controlled by the specific Farm Operation that operates and controls the Wholesale Farm Processing Facility. Since a Wholesale Farm Processing Facility is generally an industrial use, the approval and operation of a Wholesale Farm Processing Facility shall not create any Vested Right in the continued non-agricultural use of any structures built or used for a Wholesale Farm Processing Facility. This Section shall not supersede or amend the terms of any conservation easement.

- (b) A Wholesale Farm Processing Facility is permitted only as an accessory use to the active production of agricultural crops on a Farm Operation in the A-1 Agricultural District subject to the following:
 - 1. Wholesale Sales: Wholesale Sales of fresh or processed Raw Produce are allowed subject to the requirements of subsection (b) 2 and further provided:
 - i. All processing shall be conducted indoors.
 - ii. No retail sales or consumption of processed products on the premises is permitted.
 - iii. The Michigan Liquor Control Commission shall grant applicable wholesale liquor licenses and regulate compliance with those licenses, subject to the requirements of this Zoning Ordinance and permits granted hereunder.
 - iv. The Michigan Department of Agriculture and Rural Development shall grant applicable wholesale food licenses and regulate compliance with those licenses, subject to the requirements of this Zoning Ordinance and permits granted hereunder.

2. Sources of Raw Produce:

- i. Processing is limited to Raw Produce. For example, an apple may be processed into apple juice or applesauce.
- ii. Not less than seventy percent (70%) of the Raw Produce sold fresh or processed by the Wholesale Farm Processing Facility shall be grown on land within the Township that is controlled and operated by the specific Farm Operation that operates the Wholesale Farm Processing Facility.
- iii. If crop conditions or natural disaster result in a shortage of locally-grown fruit for a particular year; the Township Board may for that year approve a larger proportion of Raw Produce grown off the land within the Township that is controlled and operated by the specific Farm Operation that operates the Wholesale Farm Processing Facility, provided that verification of such conditions by the United States Department of Agriculture Farm Service Agency. Processed products produced by the Wholesale Farm Processing Facility in such a year shall not exceed the highest volume of processed products produced by the Wholesale Farm Processing Facility in any of the preceding five (5) years.

3. Parcel requirements:

- i. A total of forty (40) acres of land shall be dedicated to the operation of a Wholesale Farm Processing Facility.
- ii. The dedicated forty (40) acres shall be located within Peninsula Township and shall be exclusively controlled and operated by the same Farm Operation that exclusively controls and operates the Wholesale Farm Processing Facility. Control of the dedicated acreage must be evidenced by a deed, lease, or memorandum of lease in the name of the Farm Operation recorded with the Grand Traverse County Register of Deeds. At least 65% of the forty (40) acres dedicated to the Wholesale Farm Processing Facility shall be in active crop production each year.
- iii. At least twenty (20) of the dedicated forty (40) acres must be in a contiguous parcel with a minimum parcel width of 330 feet and shall contain the Wholesale Farm Processing Facility. There shall be at least ten (10) acres in active crop production on the same parcel as the Wholesale Farm Processing Facility. The parcel shall not be divided for as long as the Wholesale Farm Processing Facility continues in operation.

- iv. The remaining acreage necessary to meet the 40-acre minimum dedication shall consist of a single contiguous parcel or two contiguous parcels separated only by a road.
 - v. Not more than one (1) single-family dwelling may be located on the parcel containing the Wholesale Farm Processing Facility. Not more than one (1) additional single-family dwelling may be located on the remaining dedicated acreage.
 - vi. None of the minimum dedicated forty (40) acres shall be used to satisfy acreage density or open space requirements of any other use in the Township while the Wholesale Farm Processing Facility continues in operation.
4. Setbacks: The minimum setbacks for the Wholesale Farm Processing Facility including required parking shall be:
 - i. Front yard 50 feet;
 - ii. Side and rear yards 200 feet;
5. Wholesale Farm Processing Facility Size: A Wholesale Farm Processing Facility shall not include retail space. The total floor area of a Wholesale Farm Processing Facility above finished grade shall not exceed 250 square feet per acre of land dedicated to the Wholesale Farm Processing Facility and shall not exceed a maximum of 30,000 square feet of total floor area above finished grade. The Wholesale Farm Processing Facility may consist of more than one building; however, all buildings used by the Wholesale Farm Processing Facility shall be located on the 20-acre minimum parcel. Underground floor area may be allowed in addition to the permitted square footage of floor area above finished grade, provided it is entirely below the pre-existing ground level and has no more than one loading dock exposed. **(REVISED BY AMENDMENT 197)**
6. Pre-existing Buildings: (built prior to October 11, 2022) may be used for Wholesale Farm Processing Facilities provided that they are no more than 10,000 square feet in size. The Zoning Board of Appeals may consider variances from setbacks for such pre-existing buildings in accordance with Section 5.7.3, giving special attention to avoiding adverse impacts on surrounding property owners.
7. Vested Right: Approval of a special use permit for a Wholesale Farm Processing Facility shall not create any Vested Right in the continued non-agricultural use of any structures built or used for a Wholesale Farm Processing Facility. Such structures shall only be used for uses permitted by right in Section 6.7.2 in the event that the Wholesale Farm Processing Facility use is discontinued or curtailed.

8. Parking: Parking shall conform to the requirements of Section 7.6.
9. Signs: All signs shall conform to the requirements of Section 7.11. **(REVISED BY AMENDMENT 174)**
10. Lighting: All lighting shall conform to the requirements of Section 7.14. **(REVISED BY AMENDMENT 175B)**
11. Access: Access to the Wholesale Farm Processing Facility shall be from a public road. An access permit from the County Road Commission or Michigan Department of Transportation shall be required before a land use permit can be issued.
12. Water: Demonstration of adequate water for the Wholesale Farm Processing Facility shall be provided by the appropriate agencies. Conformance to agency requirements shall be required.
13. Sewage and Wastewater Disposal: Demonstration of adequate sewage and wastewater disposal for the Wholesale Farm Processing Facility shall be provided by the appropriate agencies. Conformance to agency requirements shall be required.
14. Fencing or Planting Buffer: In the event that the Township Board determines that noise generation may be disturbing to neighbors, or that the location of the establishment is in an area where trespass onto adjacent properties is likely to occur, then the Township Board may require that fencing and/or a planting buffer be constructed and maintained.
15. Data and Records:
 - i. The Farm Operation operating the Wholesale Farm Processing Facility shall annually by April 15 of each year provide data and records to the Director of Planning showing (a) that a minimum of 70 percent of the Raw Produce processed is grown on land in the Township exclusively controlled and operated by that Farm Operation, and (b) all land within the Township controlled and operated by the Farm Operation meets minimum acreage requirements.
 - ii. The above data shall be supplied to the Township in a format or form approved by the Director of Planning.
 - iii. Any change in the above shall be submitted in writing to the Director of Planning within 60 days of said change. Failure to submit such changes shall be considered a violation of this Ordinance.

16. Approval Process:

- i. Site plan review shall be required for all Wholesale Farm Processing Facilities. A site plan drawn to scale (one or more sheets as appropriate) shall be submitted to the Director of Planning along with the appropriate site plan review fee as established by the Township Board.
- ii. The site plan shall include at least:
 1. the parcel or parcels with parcel numbers dedicated to the Wholesale Farm Processing Facility with calls and dimensions on all property lines;
 2. legal descriptions of all parcels;
 3. all existing and proposed structures including setbacks from property lines;
 4. proposed parking, landscaping and lighting;
 5. floor plan showing all processing areas; and
 6. the name, mailing address, and phone number of the Farm Operation.
- iii. Site plan approval for a Wholesale Farm Processing Facility shall be issued by the Director of Planning upon showing that the minimum requirements of this Ordinance, including parcel(s), building size, building height, minimum acreage in crop production, setbacks, and parking are met as well as any requirements of a conservation easement.
- iv. Once the site plan is approved by the Planning Director, a Land Use Permit application may be submitted to the Zoning Administrator.
- v. A permit from the Grand Traverse County Health Department is required before a Land Use Permit for a Wholesale Farm Processing Facility permit can be issued.
- vi. No processing or wholesale sales of products shall take place until a final site plan approval is issued by the Director of Planning and a Land Use Permit is issued by the Zoning Administrator. The Land Use Permit shall not be issued until copies of all permits required by state, federal, and other local licenses and permits have been submitted to the Zoning Administrator, and the Zoning Administrator has made an on-site inspection to verify compliance with all the requirements of the Zoning Ordinance.

17. Any violation of the Site Plan Approval issued by the Director of Planning or

Land Use Permit issued by the Zoning Administrator for this use shall, in addition to the provisions of Section 4.2.1 Violations and Penalties, serve as grounds for revocation of the Site Plan Approval and the Land Use Permit.

18. Residence within a Wholesale Farm Processing Facility. **(ADDED BY AMENDMENT NO 146)** A single-family dwelling may be allowed as part of a structure containing a Wholesale Farm Processing Facility provided the following requirements are met:
- i. The dwelling and Wholesale Farm Processing Facility combined shall not exceed any of the Setback or Facility Size requirements established above;
 - ii. The dwelling shall be the only dwelling on the 20-acre parcel containing the Wholesale Farm Processing Facility.
 - iii. The maximum height of the structure shall be 35 feet or 2 ½ stories, whichever is less. **(UPDATED BY AMENDMENT 201)**

3. Amended Subsection 6.7.3 (22):

(22) Retail Farm Processing Facilities: Subject to all requirements of Article VIII, Section 8.7.3(10) and (11). **(UPDATED BY AMENDMENT 201)**

4. Amendments to Table of parking space requirements in Section 7.6.3:

(9) <u>Retail Farm Processing Facilities</u>	One (1) for each one hundred (100) square feet of retail floor space plus one (1) for each employee of maximum working shift, plus three (3) spaces for tour buses or cars with trailers. In addition, truck loading and unloading areas shall be designated.
(10) <u>Wholesale Farm Processing Facilities</u>	Five (5) plus one (1) for each one (1) employee for the largest working shift. In addition, truck loading and unloading areas shall be designated.

5. Amended Subsection 8.7.2 (11):

(11) Retail Farm Processing Facilities in the Agricultural District.

6. Amended Subsection 8.7.3 (10):

(10) Retail Farm Processing Facility (Indoors Only): (ADDED BY AMENDMENT 201)

- (a) Statement of Intent: It is the intent of this subsection to promote a thriving local agricultural production industry and preserve the rural character within the Township by allowing the construction and use of a Retail Farm Processing Facility where and when accessory to a minimum acreage of land in active crop production. The Retail Farm Processing Facility use includes wholesale sales and indoor retail sales of fresh and processed Raw Produce only. The majority of the Raw Produce sold fresh or processed shall be grown on land within the Township exclusively operated and controlled by the specific Farm Operation that operates and controls the Retail Farm Processing Facility. Since a Retail Farm Processing Facility is generally an industrial and commercial use, approval of a special use permit for a Retail Farm Processing Facility shall not create any Vested Right in the continued non-agricultural use of any structures built or used for a Retail Farm Processing Facility. Such structures shall only be used for uses permitted by right in Section 6.7.2 in the event that the Retail Farm Processing Facility use is discontinued or curtailed. This Section shall not supersede or amend the terms of any conservation easement.
- (b) A Retail Farm Processing Facility is permitted only as an accessory use to active production of agricultural crops in the A-1 Agricultural District subject to the following:
1. Retail Sales: Retail sales of fresh or processed Raw Produce are allowed subject to the requirements of subsection (b) 2 and the following additional requirements:
 - i. All processing and retail sales shall be conducted indoors.
 - ii. The consumption of processed products on premises is permitted indoors only.
 - iii. A Tasting Room may be included in the allowable square footage for retail sales to provide for the tasting of fresh or processed Raw Produce, including wine.
 - iv. Free entertainment may be provided within a retail sales/Tasting Room indoors only.
 - v. The hours of operation for retail sales, including a Tasting Room, shall be limited to an opening time no earlier than 9:00 a.m. and a closing time no later than 9:30 p.m.
 - vi. The Michigan Liquor Control Commission shall grant applicable retail liquor licenses and regulate compliance with those licenses, subject to the requirements of this Zoning Ordinance and special use permits granted

hereunder.

- vii. The Michigan Department of Agriculture and Rural Development shall grant applicable retail food licenses and regulate compliance with those licenses, subject to the requirements of this Zoning Ordinance and special use permits granted hereunder.
- viii. Those Retail Farm Processing Facilities that hold a liquor license may sell limited food items indoors in the retail sales area to offset the effects of consuming alcohol. Food items not processed within the Retail Farm Processing Facility are limited to snacks that require minimal preparation such as cheese and crackers, dried fruit and nuts, and chocolates. No restaurants, cafes or off-site catering shall be permitted as part of a Retail Farm Processing Facility.

2. Sources of Raw Produce:

- i. Processing is limited to Raw Produce. For example, an apple may be processed into apple juice or applesauce.
- ii. Not less than seventy percent (70%) of the Raw Produce sold fresh or processed by the Retail Farm Processing Facility shall be grown on land within the Township that is controlled and operated by the specific Farm Operation that operates the Retail Farm Processing Facility.
- iii. If crop conditions or natural disaster result in a shortage of locally-grown fruit for a particular year; the Township Board may for that year approve a larger proportion of Raw Produce grown off the land within the Township that is controlled and operated by the specific Farm Operation that operates the Retail Farm Processing Facility, provided that verification of such conditions by the United States Department of Agriculture Farm Service Agency. Processed products produced by the Retail Farm Processing Facility in such a year shall not exceed the highest volume of processed products produced by the Retail Farm Processing Facility in any of the preceding five (5) years.

3. Parcel Requirements:

- i. A total of fifty (50) acres of contiguous land must be dedicated to the operation of a Retail Farm Processing Facility with indoor retail sales.
- ii. The dedicated fifty (50) acres shall be located within Peninsula Township and shall be exclusively controlled and operated by the same Farm Operation that exclusively controls and operates the Retail Farm Processing Facility. Control of the dedicated acreage must be evidenced by a deed, lease, or memorandum of lease in the name of the Farm Operation recorded with the Grand Traverse County Register of Deeds. At least 65% of the fifty (50) acres dedicated to the Retail Farm Processing Facility shall be in active crop

production each year.

- iii. At least thirty (30) of the dedicated fifty (50) acres must be in a contiguous parcel with a minimum parcel width of 330 feet and shall contain the Retail Farm Processing Facility. There shall be at least fifteen and one half (15.5) acres in active crop production on the same parcel as the Retail Farm Processing Facility. The parcel shall not be divided for as long as the Retail Farm Processing Facility continues in operation.
 - iv. The remaining acreage necessary to meet the 50-acre minimum dedication shall consist of a single contiguous parcel or two contiguous parcels separated only by a road.
 - v. Not more than one (1) single-family dwelling may be located on the parcel containing the Retail Farm Processing Facility. Not more than one (1) additional single-family dwelling may be located on the remaining dedicated acreage.
 - vi. None of the minimum dedicated fifty (50) acres shall be used to satisfy acreage density or open space requirements of any other use in the Township while the Retail Farm Processing Facility continues in operation.
4. Setbacks: The minimum setbacks for the Retail Farm Processing Facility including required parking shall be:
- i. Front Yard Setback: 50 feet.
 - ii. Side and Rear Yard Setback: 200 feet.
5. Retail Farm Processing Facility Size:
- i. The total floor area of the Retail Farm Processing Facility above finished grade shall equal 250 square feet per acre of land owned or leased for the specific retail farm processing operation but may not exceed 30,000 square feet of total floor area above finished grade.
 - ii. The Retail Farm Processing Facility may consist of more than one building; however, all buildings used by the Retail Farm Processing Facility shall be located on the 30-acre minimum parcel that contains the Retail Farm Processing Facility.
 - iii. Underground floor area may be allowed in addition to the maximum permitted square footage of floor area above finished grade provided it is entirely below pre-existing ground level and has no more than one loading dock exposed.
 - iv. Retail sales space may be a separate room within a Retail Farm Processing

Facility and shall not exceed 1,500 square feet in area.

- v. A Tasting Room shall be included in the allowable square footage for retail sales.
6. Pre-existing Buildings: (built prior to October 11, 2022) may be used for a Retail Farm Processing Facility provided they are not greater in size than the maximum allowable square footage per acre as referenced above. The Zoning Board of Appeals may consider variances from setbacks for such pre-existing buildings in accordance with Section 5.7.3, giving special attention to avoiding adverse impacts on surrounding property owners.
7. Vested Right: Approval of a special use permit for a Retail Farm Processing Facility shall not create any Vested Right in the continued non-agricultural use of any structures built or used for a Retail Farm Processing Facility. Such structures shall only be used for uses permitted by right in Section 6.7.2 in the event that the Retail Farm Processing Facility use is discontinued or curtailed.
8. Parking: Parking shall conform to the requirements of Section 7.6.
9. Signs: All signage shall conform to the requirements of Section 7.11.
10. Lighting: All exterior lighting shall conform to the requirements of Section 7.14.
11. Access: Access shall be from a paved public road. An access permit from the Grand Traverse County Road Commission or Michigan Department of Transportation shall be required before a Land Use Permit may be issued.
12. Water: Demonstration of adequate water for the Retail Farm Processing Facility shall be provided by the appropriate agencies. Conformance to agency requirements shall be required.
13. Sewage and Wastewater Disposal: Demonstration of adequate sewage and wastewater disposal for the Retail Farm Processing Facility shall be provided by the appropriate agencies. Conformance to agency requirements shall be required.
14. Fencing or Planting Buffer: In the event that the Township Board determines that noise generation may be disturbing to neighbors, or that the location of the establishment is in an area where trespass onto adjacent properties is likely to occur, then the Township Board may require that fencing and/or a planting buffer be constructed and maintained.
15. Landscaping: The front yard area and/or any side yard adjacent to public right-of-way not used for access and parking shall be planted and maintained in accord with an appropriate landscape design to integrate the Retail Farm Processing facility into the site, as approved by the Township Board.

16. Data and Records:

- i. The Farm Operation operating the Retail Farm Processing Facility shall annually by April 15 of each year provide data and records to the Director of Planning showing (a) that a minimum of 70 percent of the Raw Produce processed is grown on land in the Township exclusively controlled and operated by that Farm Operation, and (b) all land within the Township controlled and operated by the Farm Operation meets minimum acreage requirements.
- ii. The above data shall be supplied to the Township in a format or form approved by the Director of Planning.
- iii. Any change in the above shall be submitted in writing to the Director of Planning within 60 days of said change. Failure to submit such changes shall be considered a violation of this Ordinance.

17. Approval Process:

- i. Approval of a Special Use Permit is required subject to all requirements of Article VIII, Section 8.1. followed by the administrative approval of a Site Plan.
- ii. A Site Plan application with all required submittal materials shall be submitted to the Director of Planning.
- vii. The site plan shall include at least:
 1. the parcel or parcels with parcel numbers dedicated to the Retail Farm Processing Facility with calls and dimensions on all property lines;
 2. legal descriptions for all parcels;
 3. all existing and proposed structures including setbacks from property lines;
 4. proposed parking, landscaping and lighting;
 5. floor plan showing all processing areas; and
 6. the name, mailing address, and phone number of the Farm Operation.
- iii. Site Plan approval for a Retail Farm Processing Facility shall be issued by the Director of Planning upon showing that it is compliant with this Ordinance, all conservation easements, and the Special Use Permit approval, including minimum parcel requirements, building size, building height, acreage in crop production, setbacks, landscaping and parking.

- iv. Once the Site Plan is approved and signed by the Director of Planning, a Land Use Permit application may be submitted to the Zoning Administrator.
- v. A permit from the Grand Traverse County Health Department is required before a Land Use Permit for a Retail Farm Processing Facility can be issued.
- vi. No processing or wholesale or retail sales of products shall take place until a Land Use Permit has been issued by the Zoning Administrator.
- vii. Such Land Use Permit shall not be issued until copies of all permits required by state, federal, and other local licenses and permits have been submitted to the Zoning Administrator and the Zoning Administrator has made an on-site inspection to verify compliance with all requirements of the zoning ordinance.
- viii. Any violation of the Special Use Permit issued by the Township Board, the Site Plan Approval issued by the Director of Planning, or the Land Use Permit issued by the Zoning Administrator for this use shall, in addition to the provisions of Section 4.2.1 Violations and Penalties, serve as grounds for revocation of the Special Use Permit, the Site Plan Approval and the Land Use Permit.

7. Amended Subsection 8.7.3 (11):

(11) Retail Farm Processing Facility (with Outdoor Seating): (ADDED BY AMENDMENT 201)

- (a) Statement of Intent: It is the intent of this subsection to promote a thriving local agricultural production industry and preserve the rural character within the Township by allowing the construction and use of a Retail Farm Processing Facility with outdoor seating where and when accessory to a minimum acreage of land in active crop production. The Retail Farm Processing Facility with outdoor seating use includes wholesale sales, indoor retail sales of fresh and processed Raw Produce, and the consumption of fresh and processed Raw Produce within an indoor Tasting Room or outdoor seating area only. The majority of the Raw Produce sold fresh or processed shall be grown on land within the Township exclusively operated and controlled by the specific Farm Operation that operates and controls the Wholesale Farm Processing Facility. Since a Retail Farm Processing Facility is generally an industrial and commercial use, approval of a special use permit for a Retail Farm Processing Facility shall not create any Vested Right in the continued non-agricultural use of any structures built or used for a Retail Farm Processing Facility. Such structures shall only be used for uses permitted by right in Section 6.7.2 in the event that the Retail Farm Processing Facility use with outdoor seating is discontinued or curtailed. This Section shall not supersede or amend the terms of any conservation easement.
- (b) A Retail Farm Processing Facility with outdoor seating is permitted only as an accessory use to active production of agricultural crops in the A-1 Agricultural District

subject to the following:

1. Retail Sales: Retail sales of fresh or processed Raw Produce are allowed subject to the requirements of subsection (b) 2 and the following additional requirements:
 - i. All processing and retail sales shall be conducted indoors.
 - ii. The consumption of processed products on premises is permitted indoors and within an approved and clearly defined outdoor seating area.
 - iii. A Tasting Room may be included in the allowable square footage for retail sales to provide for the tasting of fresh or processed Raw Produce, including wine.
 - iv. Free entertainment may be provided within a retail sales/Tasting Room indoors only.
 - v. The hours of operation for retail sales, including a Tasting Room and approved outdoor seating, shall be limited to an opening time no earlier than 9:00 a.m. and a closing time no later than 9:30 p.m.
 - vi. The Michigan Liquor Control Commission shall grant applicable retail liquor licenses and regulate compliance with those licenses, subject to the requirements of this Zoning Ordinance and special use permits granted hereunder.
 - vii. The Michigan Department of Agriculture and Rural Development shall grant applicable retail food licenses and regulate compliance with those licenses, subject to the requirements of this Zoning Ordinance and special use permits granted hereunder.
 - viii. Those Retail Farm Processing Facilities with outdoor seating that hold a liquor license may sell limited food items indoors in the retail sales area to offset the effects of consuming alcohol. Food items not processed within the Retail Farm Processing Facility are limited to snacks that require minimal preparation such as cheese and crackers, dried fruit and nuts, and chocolates. Limited food items purchased indoors may be consumed within an approved outdoor seating area. No restaurants, cafes or off-site catering shall be permitted as part of a Retail Farm Processing Facility with outdoor seating
2. Sources of Raw Produce:
 - i. Processing is limited to Raw Produce. For example, an apple may be processed into apple juice or applesauce.
 - ii. Not less than seventy percent (70%) of the Raw Produce sold fresh or

processed by the Retail Farm Processing Facility shall be grown on land within the Township that is controlled and operated by the specific Farm Operation that operates the Retail Farm Processing Facility.

- iii. If crop conditions or natural disaster result in a shortage of locally-grown fruit for a particular year; the Township Board may for that year approve a larger proportion of Raw Produce grown off the land within the Township that is controlled and operated by the specific Farm Operation that operates the Retail Farm Processing Facility, provided that verification of such conditions by the United States Department of Agriculture Farm Service Agency. Processed products produced by the Retail Farm Processing Facility with outdoor seating in such a year shall not exceed the highest volume of processed products produced by the Retail Farm Processing Facility in any of the preceding five (5) years.

3. Parcel Requirements:

- i. A total of sixty (60) acres of contiguous land must be dedicated to the operation of a Retail Farm Processing Facility with indoor retail sales and an outdoor seating area for consumption only.
- ii. The dedicated sixty (60) acres shall be located within Peninsula Township and shall be exclusively controlled and operated by the same Farm Operation that exclusively controls and operates the Retail Farm Processing Facility with outdoor seating. Control of the dedicated acreage must be evidenced by a deed, lease, or memorandum of lease in the name of the Farm Operation recorded with the Grand Traverse County Register of Deeds. At least 65% of the sixty (60) acres dedicated to the Retail Farm Processing Facility shall be in active crop production each year.
- iii. At least forty (40) of the dedicated sixty (60) acres must be in a contiguous parcel with a minimum parcel width of 330 feet and shall contain the Retail Farm Processing Facility and outdoor seating. There shall be at least twenty (20) acres in active crop production on the same parcel as the Retail Farm Processing Facility. The parcel shall not be divided for as long as the Retail Farm Processing Facility continues in operation.
- iv. The remaining acreage necessary to meet the 60-acre minimum dedication shall consist of a single contiguous parcel or two contiguous parcels separated only by a road.
- v. Not more than one (1) single-family dwelling may be located on the parcel containing the Retail Farm Processing Facility. Not more than one (1) additional single-family dwelling may be located on the remaining dedicated acreage.
- vi. None of the minimum dedicated sixty (60) acres shall be used to satisfy

acreage density or open space requirements of any other use in the Township while the Retail Farm Processing Facility continues in operation.

4. Setbacks: The minimum setbacks for the Retail Farm Processing Facility with outdoor seating including required parking shall be:

- i. Front Yard Setback: 50 feet.
- ii. Side and Rear Yard Setback Building: 200 feet.
- iii. Outdoor Seating Area: 350 feet from all property lines.

5. Retail Farm Processing Facility Size:

- i. The total floor area of the Retail Farm Processing Facility above finished grade shall equal 250 square feet per acre of land owned or leased for the specific retail farm processing operation but may not exceed 30,000 square feet of total floor area above finished grade.
- ii. The Retail Farm Processing Facility may consist of more than one building; however, all buildings used by the Retail Farm Processing Facility with outdoor seating shall be located on the 40-acre minimum parcel that contains the Retail Farm Processing Facility and outdoor seating area.
- iii. Underground floor area may be allowed in addition to the maximum permitted square footage of floor area above finished grade provided it is entirely below pre-existing ground level and has no more than one loading dock exposed.
- iv. Retail sales space may be a separate room within a Retail Farm Processing Facility and shall not exceed 1,500 square feet in area.
- v. A Tasting Room shall be included in the allowable square footage for retail sales.

6. Pre-existing Buildings: (built prior to October 11, 2022) may be used for a Retail Farm Processing Facility provided they are not greater in size than the maximum allowable square footage per acre as referenced above. The Zoning Board of Appeals may consider variances from setbacks for such pre-existing buildings in accordance with Section 5.7.3, giving special attention to avoiding adverse impacts on surrounding property owners.

7. Outdoor Seating Area Size:

- i. The outdoor seating area shall be limited to 750 square feet.
- ii. The maximum occupancy for the outdoor seating area shall be 50 persons at all times.

- iii. The limits of the outdoor seating area shall be clearly defined with a fence and/or combination of fencing and landscaping that provides year-round screening from adjacent properties.
 - iv. No temporary structures including tents or canopies are allowed.
8. Vested Right: Approval of a special use permit for a Retail Farm Processing Facility with outdoor seating shall not create any Vested Right in the continued non-agricultural use of any structures built or used for a Retail Farm Processing Facility. Such structures shall only be used for uses permitted by right in Section 6.7.2 in the event that the Retail Farm Processing Facility with outdoor seating use is discontinued or curtailed.
9. Parking: Parking shall conform to the requirements of Section 7.6.
10. Signs: All signage shall conform to the requirements of Section 7.11.
11. Lighting: All exterior lighting shall conform to the requirements of Section 7.14.
12. Access: Access shall be from a paved public road. An access permit from the Grand Traverse County Road Commission or Michigan Department of Transportation shall be required before a Land Use Permit may be issued.
13. Water: Demonstration of adequate water for the Wholesale Farm Processing Facility shall be provided by the appropriate agencies. Conformance to agency requirements shall be required.
14. Sewage and Wastewater Disposal: Demonstration of adequate sewage and wastewater disposal for the Wholesale Farm Processing Facility shall be provided by the appropriate agencies. Conformance to agency requirements shall be required.
15. Fencing or Planting Buffer: In the event that the Township Board determines that noise generation may be disturbing to neighbors, or that the location of the establishment is in an area where trespass onto adjacent properties is likely to occur, then the Township Board may require that fencing and/or a planting buffer be constructed and maintained.
16. Landscaping: The front yard area and/or any side yard adjacent to public right-of-way not used for access and parking shall be planted and maintained in accord with an appropriate landscape design to integrate the Retail Farm Processing facility with outdoor seating into the site, as approved by the Township Board.
17. Data and Records:
 - i. The Farm Operation operating the Retail Farm Processing Facility with

outdoor seating shall annually by April 15 of each year provide data and records to the Director of Planning showing (a) that a minimum of 70 percent of the Raw Produce processed is grown on land in the Township exclusively controlled and operated by that Farm Operation, and (b) all land within the Township controlled and operated by the Farm Operation meets minimum acreage requirements.

- ii. The above data shall be supplied to the Township in a format or form approved by the Director of Planning.
- i. Any change in the above shall be submitted in writing to the Director of Planning within 60 days of said change. Failure to submit such changes shall be considered a violation of this Ordinance.

18. Approval Process:

- i. Approval of a Special Use Permit is required subject to all requirements of Article VIII, Section 8.1. followed by the administrative approval of a Site Plan.
- ii. A Site Plan application with all required submittal materials shall be submitted to the Director of Planning. The site plan shall include at least:
 - 1. the parcel or parcels with parcel numbers dedicated to the Retail Farm Processing Facility with calls and dimensions on all property lines;
 - 2. legal descriptions for all parcels;
 - 3. all existing and proposed structures including setbacks from property lines;
 - 4. proposed parking, landscaping and lighting;
 - 5. floor plan showing all processing areas; and
 - 6. the name, mailing address, and phone number of the Farm Operation.
- iii. Site Plan approval for a Retail Farm Processing Facility with outdoor seating shall be issued by the Director of Planning upon showing that it is compliant with this Ordinance, all conservation easements, and the Special Use Permit approval, including minimum parcel requirements, building size, building height, acreage in crop production, setbacks, landscaping and parking.
- iv. Once the Site Plan is approved and signed by the Director of Planning, a Land Use Permit application may be submitted to the Zoning Administrator.
- v. A permit from the Grand Traverse County Health Department is required before a Land Use Permit for a Retail Farm Processing Facility can be issued.

- vi. No processing or wholesale or retail sales of products shall take place until a Land Use Permit has been issued by the Zoning Administrator.
- vii. Such Land Use Permit shall not be issued until copies of all permits required by state, federal, and other local licenses and permits have been submitted to the Zoning Administrator and the Zoning Administrator has made an on-site inspection to verify compliance with all requirements of the zoning ordinance.
- viii. Any violation of the Special Use Permit issued by the Township Board, the Site Plan Approval issued by the Director of Planning, or the Land Use Permit issued by the Zoning Administrator for this use shall, in addition to the provisions of Section 4.2.1 Violations and Penalties, serve as grounds for revocation of the Special Use Permit, the Site Plan Approval and the Land Use Permit.

8. *Delete former Subsection 8.7.3 (10) regarding Winery-Chateaus.*