

HERALD STREET

BREW WORKS

July. 30th, 2020.

Dear Council Members,

Our vision for Herald Street Brew Works is to have a customer experience where the patrons feel like they are immersed in the brewery space, sitting amongst the action of a brewery. This will also let us offer the customer an educational component. The main level will have an order station for beer to go, and an adjacent order station for beverages to enjoy onsite, with a deli cooler in between, offering prepared food to eat. There will be a mezzanine with another order station, where the patrons can overlook the brewhouse, bright tanks and fermentation tanks. Continuing up the stairs from the mezzanine, will be a rooftop deck so that Victoria's moderate climate can be enjoyed.

Contrary to rumors, we plan on operating this brewery as we do The Drake Eatery. We are the operating partners and jointly own 72% of the shares, ensuring full control of all operations of the business. We will set the same inclusive and respectful environment that we have established and maintained at The Drake Eatery. The atmosphere will be of the same vibe as The Drake Eatery, something we have said right from the beginning of this project. Our business model discourages a "frat house" atmosphere and instead creates an ambiance for meeting up with co-workers, friends or family for conversation.

There is no plan to sell either The Drake Eatery or sell our new project, Herald Street Brew Works, when it is up and running. In fact, we have a succession plan consisting of staff that currently work at The Drake Eatery, already in place for both of our businesses, to ensure their long continued operation.

The patio addition at The Drake Eatery was an instant success and in the 3 plus years of operation (open until midnight) has received no complaints from neighbouring businesses and/or residents in adjacent condos. In fact it has been noted as having brought much needed vibrancy to the Market Square Courtyard.

The plan for Herald Street Brew Works is to build it out in two stages. The interior construction(phase one) is almost done and the interior will open shortly. This DP variance and liquor licence application is in reference to the exterior back deck and the roof top deck. Over a third of our opening costs were spent in preparing the building to support a rooftop deck that would safely meet all building codes. We wished we could have asked for approval for this DP earlier, before this structure work was done and before we spent all that money on it, but that work had to be done before we finished the interior space.

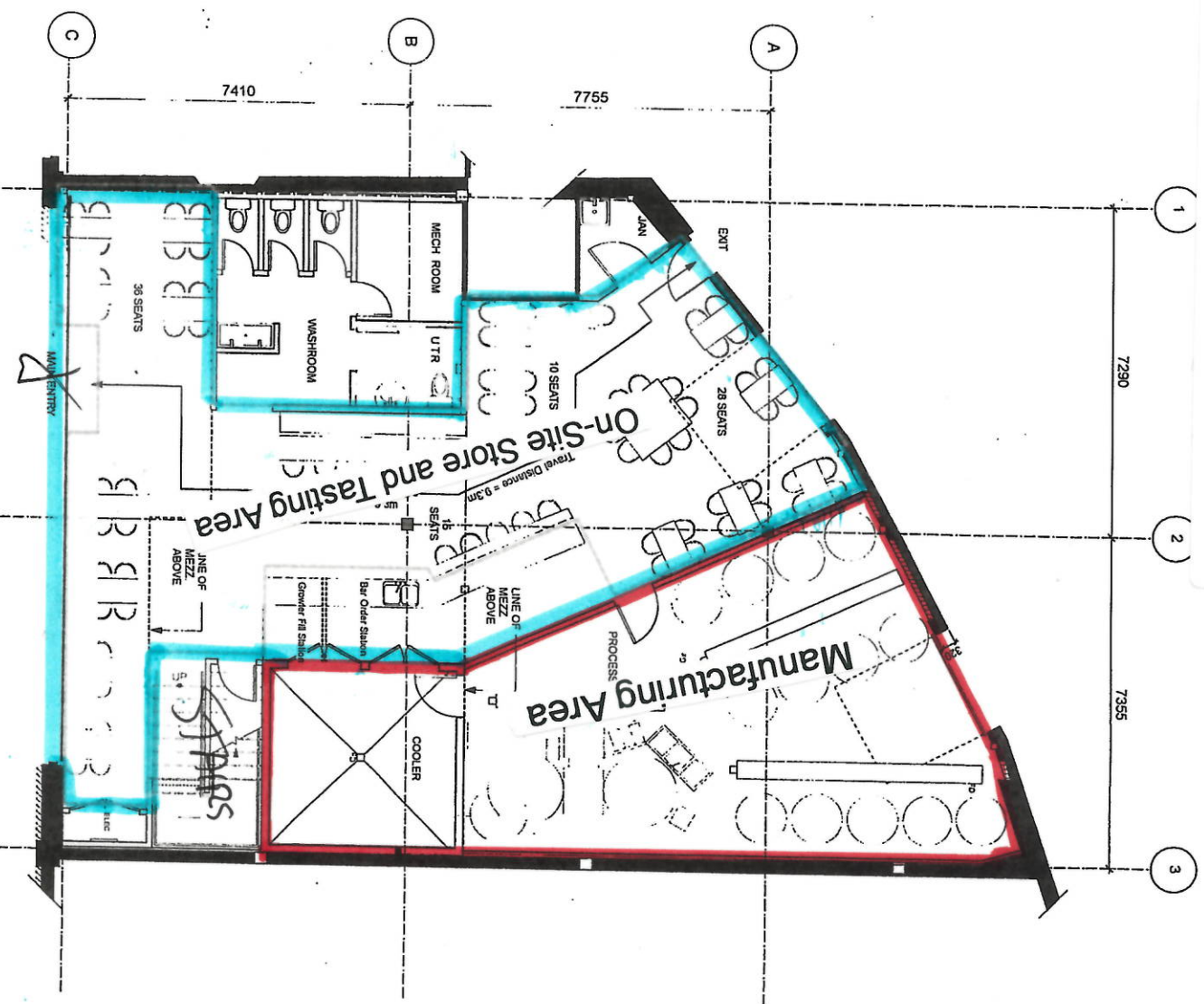
In this DP, we have plans for an onsite kitchen on the roof. This will make our business more well rounded and a stronger business model. The rooftop deck will have a service bar to assist with serving patrons. We have met with Chris Le Fevre to discuss how our business would affect his condo development that is behind our location. In consideration of his property, we changed our plans to have a taller partition, perhaps a green wall, at that end of our rooftop space to subdue conversation from our deck. Most of the rooftop seating will be towards the opposite end of our space.

After traveling and visiting exceptional craft breweries throughout North America, this project was born. It is a passion project! We want to showcase another example of quality brewing in Victoria, and add to the culture experience of our city.

With kind regards,

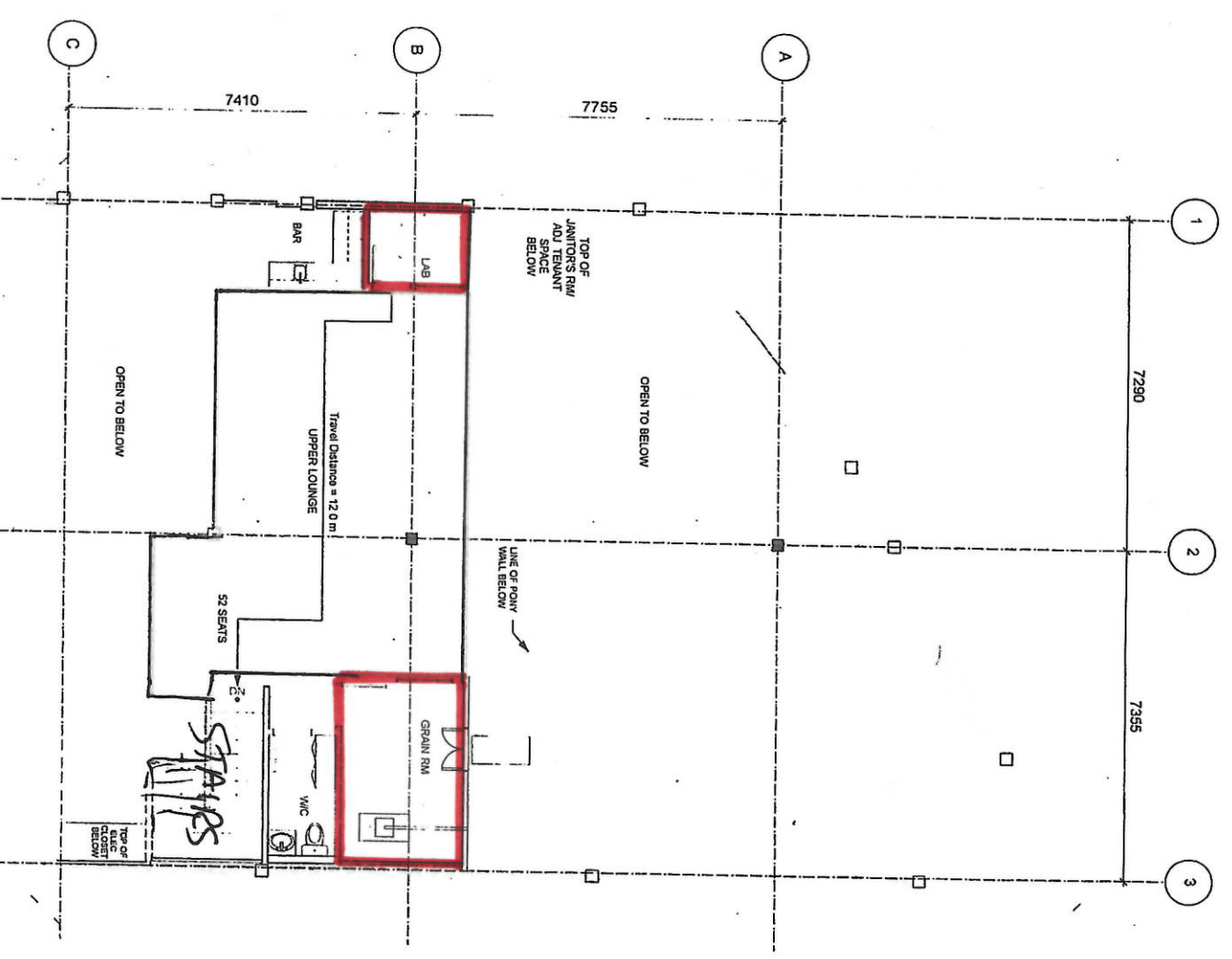
Lee & Mike Spence
Owner/Operators of Herald Street Brew Works

Brewery + On-Site Store
 506 Herald Street
 Victoria, BC V8W 1S6



1 Ground Floor Seating Plan
 A204 Scale: 1:75

Ground Floor: 89 people
 Mezzanine: 52 people
 Total Seating: 141 people
 Total Staff/Off Premise Customers: 37 people
 Total Occupant Load: 178 people

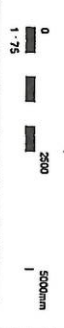
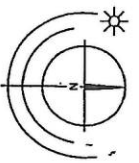


2 Mezzanine Seating Plan
 A204 Scale: 1:75

Job # 040448055-001/002

LIQUOR AND CANNABIS REGULATION BRANCH
RECEIVED
 FEB 01 2019
 VICTORIA BC

LIQUOR AND CANNABIS REGULATION BRANCH
 APPROVAL IN PRINCIPLE
 Subject to the terms and/or conditions specified in the approval in principle letter(s) dated: **APR 17 / 2019**
 Job #: **040448055-001/002 WA**
 Max Person Capacity
 Authority: *[Signature]*



NO.	REVISION	DATE

de Hoog & Kieniff architects
 ARCHITECTS
 506 Herald Street
 Victoria BC V8W 1S6
 TEL: 250-383-1111
 FAX: 250-383-1112
 WWW.DHAKA.COM

Sheet Notes
 1 Dashed red line indicates liquor service area
 2 Total Occupant Load based on BCSC 2012 (3.1.17)



April 17, 2019

Job #040448055-001/002

1156232 B.C. Ltd
506 Herald Street
Victoria, BC V8W 1S6

Via Email:

Dear Lee Spence:

**Re: New Manufacturer – Brewery Licence with On-Site Store Endorsement
Approval in Principle (AIP) – Pending Final Inspection
Applicant Name: 1156232 B.C. Ltd
Proposed Establishment Name: Herald Street Brew Works
Proposed location: 506 Herald Street in Victoria BC
Expiry Date of AIP: October 17, 2019**

This letter is to acknowledge receipt by the Liquor Control and Licensing Branch (Branch) of the required documents in support of your application for a manufacturing licence with on-site store endorsement at the above noted location.

I have had the opportunity to review your application and supporting material. The application material has been reviewed for eligibility and applicant suitability criteria, residency and age requirements, business ownership and valid interest in the proposed manufacturing property as well as tied house considerations. A preliminary review of the manufacturing site and building plans has also been completed.

I am pleased to advise you that your application is deemed complete as of today and “Approval in Principle” (AIP) for the manufacturing facility with on-site store endorsement has been granted. This AIP allows you to proceed with construction of the manufacturing facility; **it does not allow you to begin manufacturing product.**

Floor Plans

I have enclosed one copy of the AIP floor plan which includes:

- the manufacturing facility and storage area(s) outlined in red which will permit you to manufacture and store your product(s) once final approval has been granted; and
- the on-site store, outlined in blue, which will permit you to sell and offer tastings of your brewery products, as well as internet sales.

You may construct or renovate the manufacturing facility in accordance with the AIP plans. If this is not an accurate assessment of the plan or the plan changes significantly during construction, please contact the writer as new plans may be required to be submitted.

**Liquor Control and
Licensing Branch**

Mailing Address:
PO Box 9292 Stn Prov Govt
Victoria BC V8W 9J8

Location:
4th floor 3350 Douglas Street
Victoria BC V8Z 3L1
Phone: 250 952-5787
Facsimile: 250 952-7066

Website:
www.gov.bc.ca/liquorregulationandlicensing

It is the licensee's responsibility to ensure adequate security for all areas of the manufacturing facility and all product storage.

This approval is subject to, but not limited to, BC fire and building codes, zoning, business licensing, local government bylaws and health authority approvals as required in your area. You will also need to contact Canada Revenue Agency – Excise Duty Pacific Region to inquire about the federal Brewery Licence requirements if you have not done so already.

Tour Area Endorsement:

A tour area endorsement is no longer required. Any manufacturer can offer a tour of their establishment between 9 a.m. and 11 p.m., however, only guided tours are permitted. While on a guided tour, your tour route is considered a service area which permits the service or sale of samples to persons on the tour. Outdoor tours are only permitted if there are manufacturing features outside, including vineyards, grain storage units, etc.

On-Site Store Endorsement & Tasting Area:

The on-site retail store is the area where you may sell your manufactured products to the general public. The store includes a serving counter where you may provide or sell samples of your brewery product(s) for consumption in the designated tasting area (s). **Please be reminded the manufacturing licence does not allow you to sell full servings of products for consumption on site.**

A brewery is restricted to a maximum individual serving size of 125 ml of beer. Multiple servings (e.g. flights) are permitted, however there is a maximum total volume per person per day that must be followed if selling the samples. A brewery may provide unlimited free samples or sell up to 375 ml (per person/per day). If the samples are provided for free, there is no specified limit on the total volume, however manufacturers must never serve or sell samples to the point of intoxication.

Please note that “selling” also includes any form of indirect sale such as charging patrons for a tour that comes with a sample or offering liquor with the purchase of food or the provision of entertainment.

Liquor Distribution Branch Manufacturer's Agreement:

Before the Branch will issue the manufacturing license, the applicant is required to enter into a Manufacturer's Agreement with the Liquor Distribution Branch (LDB), which provides the authority for the applicant to make sales in the province and ensures the applicant understands the appropriate policies, procedures and reporting requirements associated with these sales.

The Branch has provided the Industry Programs Coordinator of LDB, with a copy of the Manufacturers application, site plan, and business proposal documents. They will be in contact with you to arrange for your signing of the LDB Manufacturer's Agreement. If you have questions relative to the LDB agreement and your obligations, please contact Brenna Poltorak at 604 252-2877 or email regemail@bclldb.com.

Signage:

The Branch has not yet reviewed or approved a manufacturing sign. Please submit a copy of your sign to the branch for approval at your earliest convenience. Off-site directional signs are permitted provided the appropriate municipal or provincial approvals have been obtained. Drawings of directional signs must also be submitted to the Branch for approval.

Serving it Right:

Serving It Right is a self-study course that educates licensees, managers and servers about their legal responsibilities when serving liquor, and provides effective techniques to prevent problems related to over service. The course packages, exams and certificate numbers can be found online at www.servingitright.com, or by phoning 604-633-9798.

Serving It Right must be completed by all sales staff, servers, managers and licensees, before opening for business, and the certificates must be available at all times.

Final Inspection Requirements:

When construction/renovation of the manufacturing facility and endorsement area is complete and the manufacturing equipment is in place within the facility, contact Liquor Inspector Nav Kambo by phone at 778 974-2844 or by email at Nav.Kambo@gov.bc.ca to arrange for a final inspection. The Inspector will advise you of anything else that may be required in order to complete the final inspection.

It is recommended that an authorized signatory attend the final inspection; however, you may ask someone to attend on your behalf. Please ensure that the person attending the final inspection can make a decision or answer questions with respect to any compliance concerns on behalf of the licensee.

Terms and conditions for the operation of the manufacturing facility and endorsement area(s) are detailed in the Manufacturer Terms and Conditions Handbook (Handbook), available on our website. I have provided a web link to the Handbook for your convenience:

<http://www2.gov.bc.ca/assets/gov/employment-business-and-economic-development/business-management/liquor-regulation-licensing/guides-and-manuals/manufacture-handbook.pdf>.

Please ensure you review the handbook prior to scheduling a final inspection as it will also be an opportunity to discuss any questions that you may have regarding the operation of your manufacturing business in accordance with the *Liquor Control and Licensing Act* and *Regulation*. Note that as the handbook is updated periodically, it is the applicant's responsibility to keep apprised of any changes that may occur.

At the time of the final inspection:

- You will need to have a copy of this letter and the attached AIP floor plan(s) available for the Liquor Inspector's review and confirmation of the brewery facility and endorsement area(s) layout.
- The Inspector will take photographs of the manufacturing facility, manufacturing equipment, and on-site store and sampling area.

If you wish to arrange for payment of the licensing fee prior to the final inspection, please contact the Branch at 1-866-209-2111.

Upon confirmation of the floor plan by the Liquor Inspector, and my receipt and review of the photographs and inspection report, if all is in order, I will proceed with final approval.

A copy of the federal excise licence letter, issued under federal jurisdiction (CRA) must be faxed to the Branch upon issuance (after the Branch has issued the manufacturing licence).

This AIP will expire October 17, 2019. An extension to this approval will only be considered where a written request is received by the Branch at least 30 days prior to the expiry of the AIP. Failure to request an extension will result in the application being considered abandoned and therefore, terminated on the expiry date noted above. No further notice will be provided.

If you have any questions regarding this AIP letter or concerning the licensing process, please contact me by phone at 778 698-9080 or by email at Matt.Forrester@gov.bc.ca .

Sincerely,



Matt Forrester
Senior Licensing Analyst
Liquor Control & Licensing Branch

cc: Nav Kambo, Liquor Inspector
Kristian Hui, Excise Duty (CRA)
BC Assessment Office
Liquor Distribution Branch (LDB)



January 20, 2020

Job # 040448055-003

Herald Street Brew Works Ltd.
506 Herald Street
Victoria, BC V8W 1S6

Email: Lee.Spence.112@gmail.com

Dear Lee Spence,

**Re: Approval in Principle (AIP) –Brewery Lounge Endorsement
Applicant/Licensee: Herald Street Brew Works Ltd.
Establishment Name: Herald Street Brew Works
Establishment Location: 506 Herald Street in Victoria BC
AIP Expiry Date: January 20, 2021**

In accordance with Liquor Control and Licensing Regulation (Regulation), Herald Street Brew Works Ltd., has applied for a brewery lounge endorsement to be located at the above-noted location. The applicant received site and community assessment (SCA) approval on May 01, 2019 and is now requesting AIP for their floor plans.

The proposed service area occupant load has been determined by the City of Victoria Fire Department to be a maximum of 123 persons for the main floor and 55 persons for the mezzanine. The person capacity of the proposed service area(s) must not exceed the occupant load. This figure includes both patrons and staff, and is the lesser of the following:

- The maximum number of persons permitted in the establishment under the Provincial building regulations;
- The maximum number of persons permitted in the establishment under the BC Fire Code adopted under the BC Fire Code Regulation, and
- The maximum number of persons permitted in the establishment under any other safety requirement enacted, made or established by the local government or First Nation for the area in which the establishment is located.

I have reviewed the submitted floor plans for compliance with the Regulation as well as Liquor Control and Licensing Branch (LCLB) policy specific to a brewery lounge endorsement. Enclosed is one copy of the floor plans which has been stamped “Approved In Principle”.

**Liquor Control and
Licensing Branch**

Mailing Address:
PO Box 9292 Stn Prov Govt
Victoria BC V8W 9J8

Location:
4th floor 645 Tyee Rd
Victoria BC V9A 6X5
Phone: 250 952-5787
Facsimile: 250 952-7066

Website:
www.gov.bc.ca/liquorregulationandlicensing

The proposed service area is highlighted in yellow and will be confirmed by the Liquor Inspector during the final inspection. Once confirmed, the proposed service area will be 'red-lined' and the approved floor plans will become an official component of the licence.

This AIP allows the applicant to proceed with construction/renovations, but does not imply final approval.

This approval includes the following considerations and requirements:

- The licensee and the licensed establishment shall, at all times, comply with the regulations under the *Fire Services Act*;
- Maximum **PERSON** capacity is as follows:
 - Person 01 = 123 persons (Patrons + Staff)
 - Person 02 (mezzanine)= 54 persons (Patrons + Staff)
- Hours of liquor service will be from 9:00 AM to 12:00 Midnight Sunday through Thursday and 9:00 AM to 1:00 AM Friday and Saturday;
- The following areas are not included in the red-lined area: washrooms and all staff only areas (utility rooms, cooler, behind the bar, storage rooms etc.);
- A reasonable variety of hot or cold food and non-alcoholic beverages must be available to patrons at reasonable prices during all hours of liquor service;
- Any kind of liquor may be sold for consumption on site in the approved lounge area, provided the cost of liquor products other than those manufactured on site does not exceed 20% of the total cost of products for sale in the lounge area in any given quarter;
- A clear line of sight must be maintained from the service bar to all areas of the lounge or all areas must be monitored by serving staff. This can also be achieved by the use of surveillance devices such as mirrors or video monitors;
- Minors are permitted in the lounge when accompanied by a parent or guardian or when they are employed as or retained as an entertainer within the lounge;
- The use of signage can assist in management and control of the service area (e.g. 'no liquor beyond this point', 'minors must be accompanied by a parent or guardian', etc.). Licensees are encouraged to post signage as appropriate at points of entry/exit;
- This approval is subject to, but not limited to, all local fire and building, zoning, jurisdictional bylaws and health authority approval as required in your area; and
- The use, renewal and transfer of the proposed licence, is subject to the terms and conditions specified in all approval letters (SCA and AIP) continuing to be satisfied.

Serving it Right (SIR)

Serving It Right is a self-study course that educates licensees, managers and servers about their legal responsibilities when serving liquor, and provides effective techniques to prevent problems related to over service. The course packages, exams and certificate numbers can be found online at www.responsible-service-bc.ca or by phoning 888-461-9080.

Serving It Right must be completed by all sales staff, servers, managers and licensees, before opening for business, and the certificates must be available at all times.

Door Security

Staff or contractors providing door security in licensed establishments are required to be licensed under the Security Services Act. For more information, contact the Ministry of Public Safety and Solicitor General at <http://www.pssg.gov.bc.ca/securityindustry/>.

Final Inspection Requirements

Please contact Liquor Inspector Nav Kambo at or 778 974-2844 or by email at Nav.Kambo@gov.bc.ca to arrange for a final inspection once the construction or renovation is complete. You may only schedule a final inspection once construction/renovations are complete and you are ready to open for business.

It is recommended that an authorized signatory attend the final inspection; however, you may ask someone to attend on your behalf. Please ensure that the person attending the final inspection can make a decision or answer questions with respect to any compliance concerns on behalf of the licensee(s).

The final inspection is also an opportunity to discuss, with your liquor Inspector, any questions that you may have regarding the operation of your business in accordance with the LCL Act and Regulations. The web link provided below is to the Liquor Primary Licence Terms and Conditions. It will be helpful to review this information, if you have not done so already, prior to scheduling the final inspection.

<http://www2.gov.bc.ca/assets/gov/employment-business-and-economic-development/business-management/liquor-regulation-licensing/guides-and-manuals/liquorprimary-handbook.pdf>

At the time of final inspection:

- Provide Inspector with a copy of the stamped approved in principle yellow lined floor plan and a copy of this AIP letter;
- The Inspector will verify that the establishment matches the approved floor plans;
- The Inspector will verify there is adequate line of sight from the main service bar;
- The Inspector will take photographs of the proposed service areas and other areas of the establishment;

The final inspection report, photographs and confirmed floor plan will then be forwarded to me for review and if all is in order, I can proceed with final approval.

This approval will expire on January 20, 2021. A written request for extension to this approval will only be considered if received no later than 30 days prior to the expiry of the AIP. If the applicant fails to request an extension within the permitted time frame, this application will be viewed as terminated on that day.

If you have any questions about this decision, please contact me at (778) 698-9080 or by email at Matt.Forrester@gov.bc.ca

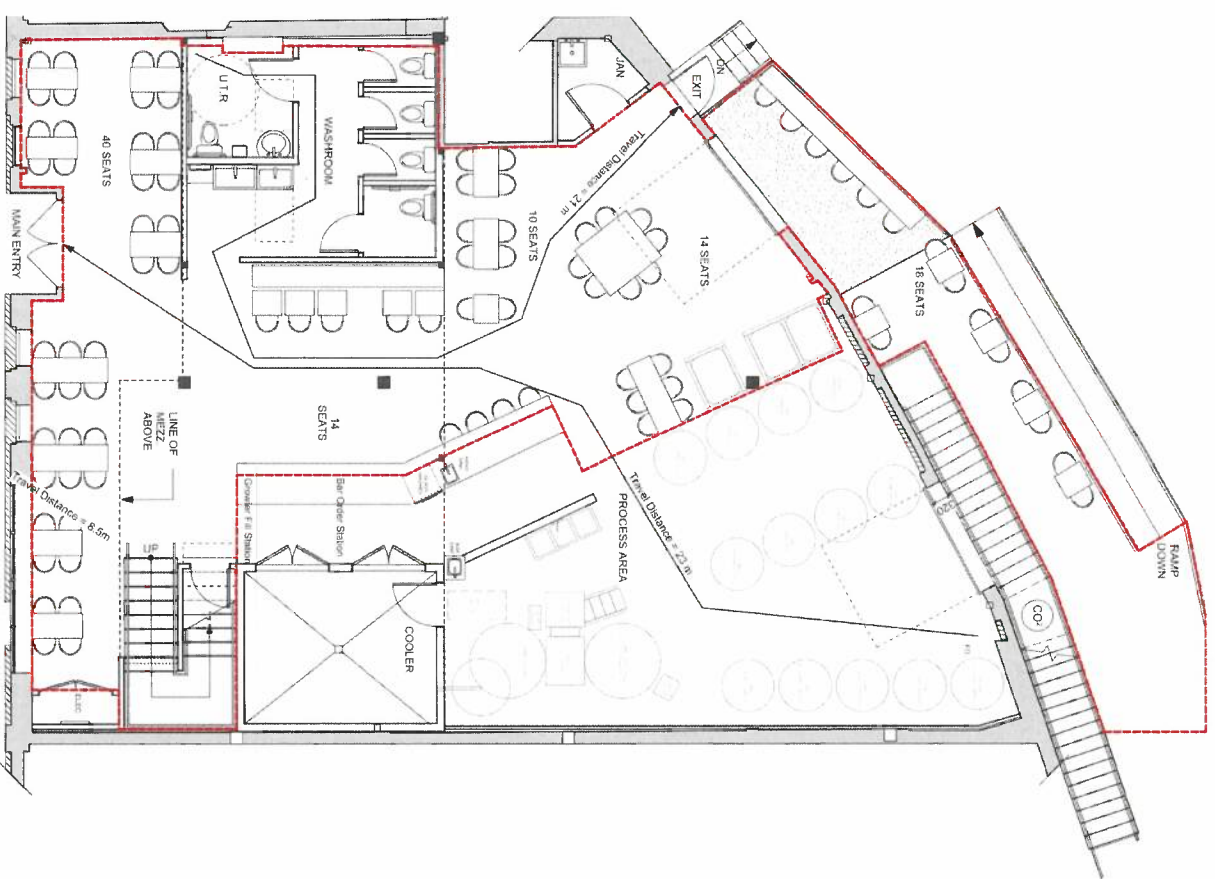
Sincerely,



Matt Forrester
Senior Licensing Analyst
Liquor Control and Licensing Branch

Enclosure – AIP Floor Plan

cc: Liquor Inspector
City of Victoria

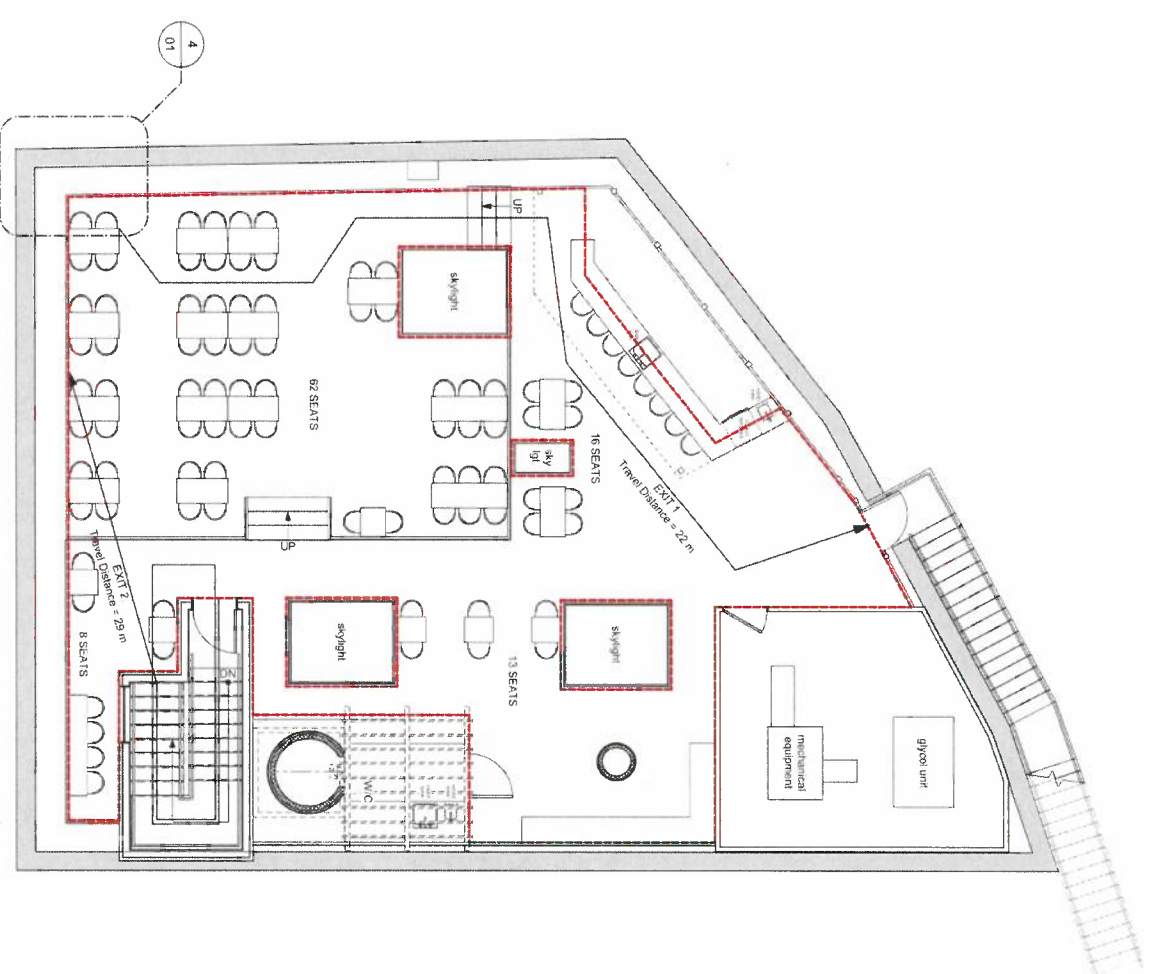


1 Ground Floor Seating Plan
Scale: 1:75

Travel distance allowed (3.4.2.5.1)c) 45 meters provided area is sprinklered.



2 Mezzanine Seating Plan
Scale: 1:75

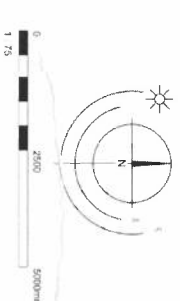
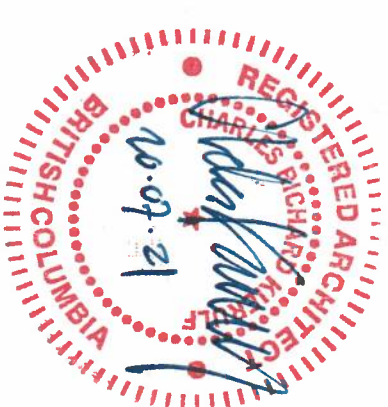
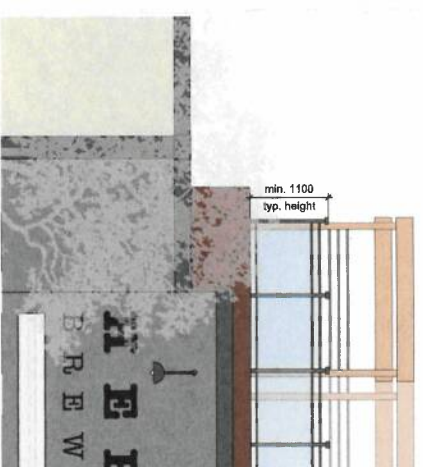


3 Roof Seating Plan
Scale: 1:75

Licence Areas	
Ground Floor:	96 seats
Mezzanine:	44 seats
Roof/Top:	99 seats
Total Staff/Off Premise Customers:	38 people
TOTAL OCCUPANT LOAD IN LICENSED AREAS:	277 people

- Sheet Notes**
1. Dashed red line indicates liquor service area
 2. Total Occupant Load based on BRBC 2018 (3.1.17)

4 Typical Guard Rail Height
Scale: 1:50



NO.	DATE	DESCRIPTION	BY	CHECKED

ISSUED FOR LIQUOR LICENCE

de Hoog & Kierulff architects 1111 WEST 10TH AVENUE VANCOUVER, BC V6H 2T6 TEL: 604-681-1111 FAX: 604-681-1112 WWW.DHAKA.COM	Herald Brew Pub 1111 WEST 10TH AVENUE VANCOUVER, BC V6H 2T6
Seating Plan - For Liquor Licence 01	01