



Planning and Land Use Committee Report For the Meeting of July 23, 2015

To: Planning and Land Use Committee **Date:** July 9, 2015
From: Rob Woodland, Director, Legislative and Regulatory Services
Subject: Application for a permanent Special Event Area Endorsement for Vancouver Island Brewery
2330 Government Street, Licence No. 000179

RECOMMENDATION

That Council, after conducting a review with respect to noise and community impacts regarding the application to add a Brewery Special Events Area Endorsement for the Brewery License of the **Vancouver Island Brewing Company**, Brewery License No. 300205, located at 2330 Government Street, supports:

1. The application of the **Island Pacific Brewing Company [Vancouver Island Brewery]** to amend its Brewery Licence to add a Brewery Special Events Area Endorsement, with a licensed capacity of 60 and operating hours of 9:00 am to 11:00 pm seven days a week.
2. The Council provides the following comments on the prescribed considerations;
 - (a) The location is within a government light industrial district which permits breweries, restaurants, light industry, accessory retail sales and offices, retail sales of home furnishings and supplies, or sporting goods. There is a small amount of residential use in the immediate vicinity. The Brewery Licence operation is compatible with the neighbouring land uses. The business is located within the Activity Noise District which allows for a higher noise threshold.
 - (b) This request represents the addition of a special event endorsement, which is expected to have minimal impact on the neighbourhood as it does not change operating hours, will be contained within the building and is an extension to services such as tastings and hosting events in the hospitality room that already occur.
 - (c) The views of residents were solicited via a mail out to neighbouring property owners and occupiers within 50 metres of the pub and a notice posted at the property. Six responses were received by the City, with five opposed and one in favour.

EXECUTIVE SUMMARY

The purpose of this report is to seek a Council resolution, in accordance with the requirements of the *Liquor Control and Licensing Act*, regarding an application by the Vancouver Island Brewing Company in relation to their Brewery License for the premises located at 2330 Government Street, for a permanent change to allow for a Special Events Area Endorsement.

Despite the Brewery Special Events Endorsement, the primary focus of the business will remain manufacturing (brewing). The applicant indicates that they want to make better use of a hospitality area in the business to host community events and be able to offer improved access to familiarize customers with new and existing products. The hours would remain from 9:00 am to 11:00 pm seven days a week, with the proposed special event occupant load being 60 persons.

PURPOSE

The purpose of this report is to seek a Council resolution, in accordance with the requirements of the *Liquor Control and Licensing Act*, regarding an application by the Vancouver Island Brewing Company in relation to their Brewery License for the premises located at 2330 Government Street, for a permanent change to allow for a Special Events Area Endorsement.

BACKGROUND

The Vancouver Island Brewery is located at 2330 Government Street. The venue is a brewery, and the hours of operation for the brewery are 9:00 am to 11:00 pm Monday to Sunday. The brewery has been in business at this location for more than thirty years, and manufactures, provides tours, and conducts samplings/tastings under their current licence.

In their attached letter (Appendix A), the applicant has described the full rationale for their request. A map of the subject property and immediate area is also attached to this report (Appendix B).

As a Brewery Special Events Area Endorsement, while the primary focus of the business will remain manufacturing, the applicant has indicated that they want to make better use of a hospitality area in the business to host community events and be able to offer improved access to familiarize customers with new and existing products. The following conditions apply to these types of special events area endorsements, and would apply only to the area designated as special event space:

- Minors would be permitted to be present while liquor is being served if they are accompanied by an adult
- Liquor service would be restricted to beer registered to the licensee; however, there is a policy review underway by the LCLB that may permit other alcoholic beverages to be sold in the future.
- The endorsement would allow the hosting of special events such as weddings, concerts, private parties and promotional events, and
- Food and non-alcoholic beverages must be available at reasonable prices at all times.

Location

Official Community Plan:

- The property is within the Core Employment Urban Place designation in the OCP. This area's land uses include: industrial, light industrial, high technology, marine industrial, research and development, commercial, office and complementary retail.
- The area is covered by Development Permit Area #10B (HC) Rock Bay Heritage, which enables Council to review and approve the exterior design and finish of buildings and other structures as well as landscaping of commercial, industrial and multi-family residential developments.

Downtown Core Area Plan:

- The property is within the Rock Bay District of the DCAP, which supports the redevelopment of the Rock Bay District as an employment focused area that provides a balance of industrial support services, light industrial, high-tech, with an accompanying balance of commercial and limited residential development.

Zoning:

- The property is zoned M-G Zone, Government Light Industrial District
 - Permits breweries, restaurants, light industry, accessory retail sales and offices, retail sales of home furnishing and supplies, or sporting goods
 - Parking (35 spaces) for the brewery and Special Event Area accessory use meet with City's Zoning Regulation Bylaw requirements
- The site falls within the Activity Noise District, which allows for more noise than the 'Intermediate' or 'Quiet' districts.

Neighbourhood Compatibility:

- The building fronts onto Government Street, between Bay Street and Queens Avenue. It includes floor spaces for a number of other businesses. The site is bounded by industrial zones on all sides with the exception of the C1-TD Zone to the north east, across Government Street. Immediately adjacent land uses are:
 - North (611 Bay St): Ocean Concrete's works yard
 - East (across Government St): Residential (102 units) and light industrial/service commercial use
 - West (611 Bay St): Ocean Concrete's works yard
 - South: Parking and vacant land undergoing environmental remediation

Liquor Control and Licensing Branch

The General Manager of the provincial Liquor Control and Licensing Branch (LCLB) issues liquor licences under the authority of the *Liquor Control and Licensing Act* and regulations. Local governments are asked to provide comments and recommendations to the LCLB on all liquor-primary licence applications regarding (1) the potential for noise and (2) impact on the community if the application is approved.

ISSUES & ANALYSIS

This application is being pursued as a permanent change to the operating conditions as the brewery operator would like to host special events for up to 60 people. A letter from the applicant detailing the reasons for the requested change is attached to this report.

The Special Events Area Endorsement to the Brewery licence would allow for special events to occur in a prescribed space within the existing building. These events are an extension to current activities such as tastings and group usage of a hospitality room; however, the endorsement would allow for additional types of events that charge for the beverages and food consumed. It is expected that this endorsement will have little impact on the neighbouring residents and businesses. The operating hours would remain the same.

There are no other liquor primary or brewery establishments within a 50 metre radius of the Vancouver Island Brewery.

Bylaw Enforcement

The Bylaw and Licensing Services Division has no concerns with the application. There have been three odour complaints logged with the City, starting in 2004 with the last one in 2009, from the same complainant. The business licence of the operation is in good standing.

Citizen Engagement and Strategic Planning

No neighbourhood impacts from noise or traffic would be expected with this Endorsement. It is understood that the Endorsement would relate to special (invitation) events only and that the hours of liquor sales would not change. As this would not significantly increase the amount of liquor availability, there are no concerns from Downtown Coordination.

Sustainable Planning and Community Development

The Planning Department has no objection to the application as the potential for additional noise affecting neighbouring businesses and residential neighbours is minimal with the addition of a Special Event Endorsement as proposed.

Police

The Police Department has no concerns with this application.

Public Engagement and Consultation

In accordance with the City's Liquor Licensing Fee Bylaw and Liquor Licensing Policy, all owners and occupiers within 50 metres of the applicant's location were solicited by a mailed notice to provide input regarding this application. In addition, the business displayed a poster at the access points to their business for a four week period which also invited people to provide input to the City with respect to this application.

The result of this consultation was that the City received six written responses from the community, with five in opposition and one in support of the proposed change (Appendix C).

The concerns expressed by the public are issues common to liquor related establishments; however, they are not directly related to the addition of this special events area endorsement. The brewery special events area is indoors, and the general operations of the brewery (related to smell, hours of operation, etc.) are not subject to review as part of this application.

The following observations should be considered in light of the public feedback received:

- Concerns regarding odours produced by the brewery are not directly related to this application and would not increase if the application is approved. However, odours have been cited as the most significant concern of five adjacent residential neighbours. No bylaw complaints have been filed with the City since 2009 with respect to odours.
- Concerns regarding the hosting of large outdoor events do not appear to be directly related to this application. These concerns appear to have arisen in response to residents' experience with large outdoor events at Phillips Brewery. This application would see the licensing of a small area completely contained within the building and not outdoors.
- It is not expected that the applicant will operate the event area continuously, like a liquor-primary business would. The operation of the brewery is not the subject of the application.
- The occurrence of late night disturbance from the special event area (e.g. noise, nuisance activity) would have a limited impact due to the relatively early closing hour, the small size of the event area (60 persons), and the expected types of events.

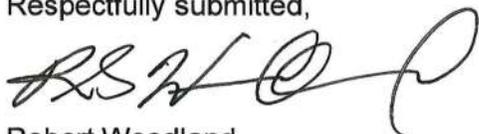
CONCLUSIONS

The request complies with the City's current liquor licensing policy as the proposed addition to operations exist within the Activity Noise District, are in a neighbourhood zoned for brewery uses and no extension to the hours of operation are proposed. The brewery operations of this establishment have been in place for more than thirty years. The only complaints on file relate to smell from brewery operations, the last one 6 years ago, prior to the feedback in response to this application, and these concerns do not relate to the impacts of the special event endorsement.

City staff from all Departments have no concerns with the proposed Special Events Area. The public consultation conducted by the City has resulted in opposition from neighbours; however the main concerns received appear related to the operation of the brewery (E.g. odours, noise) and events that are unlikely to occur as a result of this application (E.g. large outdoor concerts). Therefore, a Resolution supporting the application has been drafted to meet the Liquor Control and Licensing Branch requirements.

If Council requires any additional information from the applicant prior to Council's final consideration of the resolution staff would be pleased to obtain that information from Vancouver Island Brewing.

Respectfully submitted,



Robert Woodland
Director
Legislative and Regulatory Services

Report accepted and recommended by the City Manager: _____

Date: _____



July 13, 2015

List of Attachments

- Appendix A – Letter from Applicant Re: Requested Change
- Appendix B – Map of 2330 Government Street and Surrounding Area
- Appendix C – Six responses from the public

Appendix A – Letter from Applicant Re: Requested Change



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Letter of Intent

Vancouver Island Brewery would like to expand upon our existing sampling endorsement in order to have the ability to engage with our customers and surrounding community.

A Special Events Area would allow us to recover the costs associated with staging more complex and interactive events. It also provides us with the opportunity to customize our events for our customers throughout the year.

The events we propose to hold fall under two broad purposes:

- 1) To familiarize our customers with existing and new products. Events of this nature include:
 - a. Ticketed events such as beer and food paired dinners, cheese and beer tastings, and Meet the Brewer evenings
 - b. Public customer appreciation events such as open houses and beer release events
 - c. Ticketed tasting events partnering with other local breweries, wineries, and cideries, and/or local food producers
- 2) To support our surrounding community associations and charities. Events of this nature include:
 - a. On-site benefit concerts and silent auctions
 - b. Events run in conjunction with other breweries, cideries, wineries, as well as local food producers
 - c. Volunteer appreciation parties
 - d. Meeting space for local businesses, charities and community associations

A Special Events Area would make use of existing infrastructure designed for hosting events that is currently underutilized. We value the ability to interact with the public, not-for-profit organizations and business community. Our facility currently meets all requirements as it pertains to safety, seating and washroom facilities. This means that there would be no required construction or alterations to the space and would ensure compliance with standards and regulations and comfort of our guests.

5. Benefits to the Community

We hope to create a community amenity for a wide diversity of groups: residents, local producers/growers, businesses, not-for-profits and tourist. Our special events area has the potential to become a meeting place for these groups (and others), in a centralized location; this would also address a challenge for many, finding an

2130 GOVERNMENT STREET, VICTORIA, B.C. V8T 5G5 phone: (250) 361-0007 fax: (250) 369-0336
web: www.vanishlandbrewery.com email: info@vanishlandbrewery.com

LICENSING CONTROL & LICENSING
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SEP 30 2014
VICTORIA BC

affordable and accessible meeting area. This area would also support tourism activities in a neighbourhood where few attractions currently exist. e our own products.

6. Impact of Noise on the Surrounding Community

Due to the fact that our event space is only indoors, we do not believe that our special events will create additional noise above our current operations.

7. Other Impacts on the Surrounding Community

While we do have parking on the premises, we anticipate that there could be a minor impact regarding on-street parking, more so during larger events. However, given our location in the light industrial section of the CRD, parking in this area is generally used during business hours and shows greatly reduced demand during off hours. As such, congestion or related issues should be minor.

1. Describe the perimeter that will bound and delineate the special event area when events are taking place:

The special events area will be contained within the brewery itself. Thus, the existing entrances and exits will delineate our event space. Our emergency exits are exit-only and within sight of our main entrance, which will prevent "back door" entrances. During larger events, these emergency exits will have staff posted to them as well. Locked doors, physical barriers, signage and additional posted staff will be in place to ensure guests do not have access to unsafe areas.

2. Describe how staff will supervise this exterior area when events are taking place:

Staff will be placed at the main entrance of the brewery retail store to check patrons' bags for outdoor alcohol and illegal items such as weapons, as well as check for the required IDs. They will also be present to monitor that guests are not leaving the premises with open alcohol.

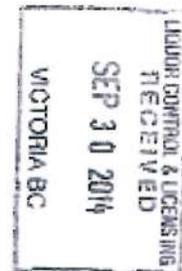
Sincerely,

Murray Langdon



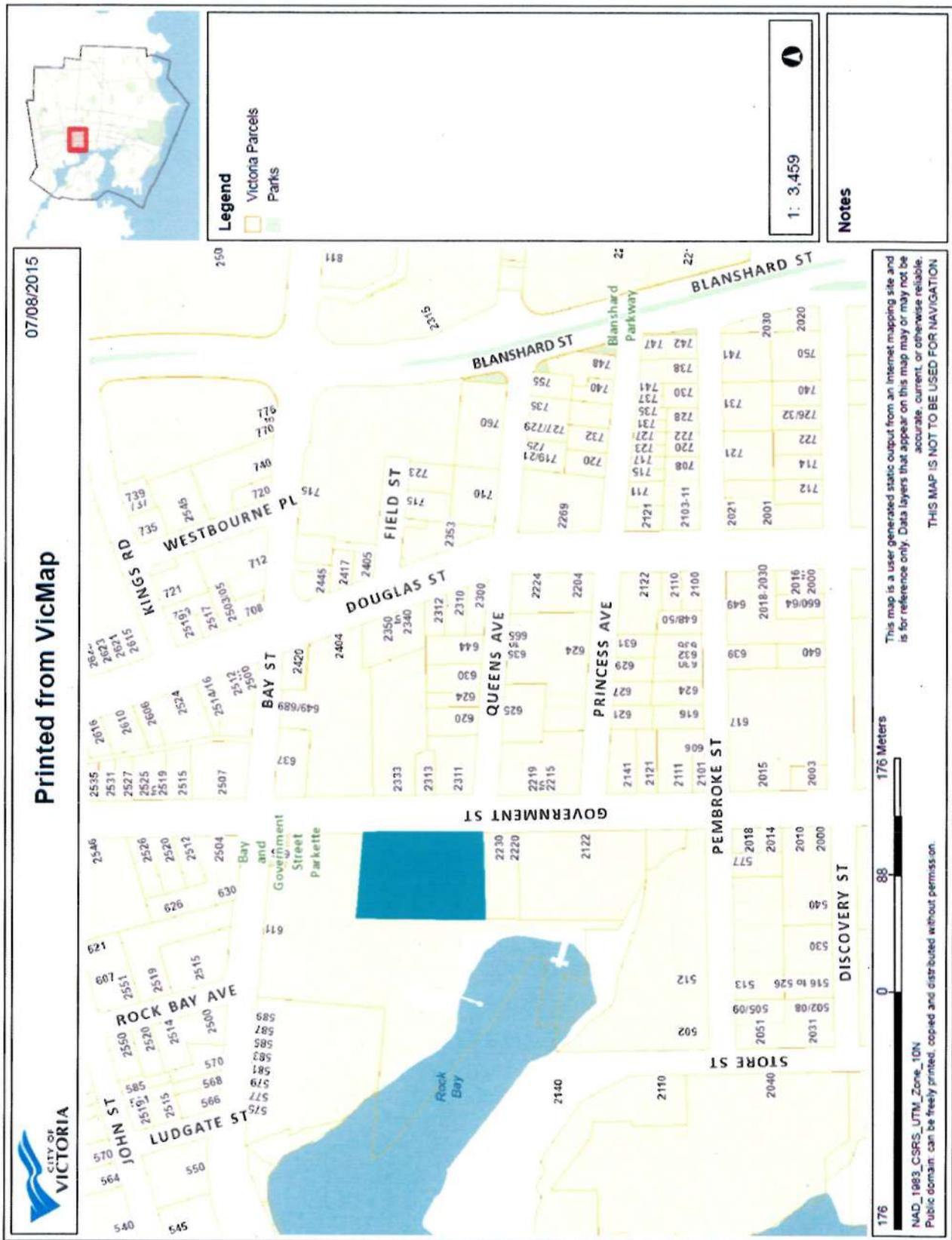
General Manager

Vancouver Island Brewery



4330 GOVERNMENT STREET, VICTORIA, B.C., V8T 5G5 phone: (250) 361-0007 fax: (250) 360-0336
web: www.vanislndbrewery.com email: info@vanislndbrewery.com

Appendix B – Map of 2330 Government Street and Surrounding Area



Appendix C – Six responses from the public

#1) In Opposition

Mark Hayden

From: vswanson [REDACTED]
Sent: Thursday, Jun 4, 2015 8:37 AM
To: Liquor Licence Email
Subject: FW: Island Pacific Brewing Company (Vancouver Island Brewing Company) Application for a Special Event Area Endorsement for a Brewery Licence - May 12, 2015 Letter of Adjacent Residents

Importance: High

Manager, Bylaw and Licensing Services
City of Victoria
1 Centennial Square
Victoria, BC V8W 1P6

Thank you for this opportunity to participate in the response to the application to the City of Victoria as filed by the applicant.

This applicant (Vancouver Island Brewery - VIB) is NOT a good neighbor.

I state this having lived adjacent to the Vancouver Island Brewery since it moved to its present location in the mid-nineteen nineties. I have lived directly across Government Street on the easterly side of the Vancouver Island Brewery location, on the 4th floor of the Condo residences known as Lexington Park since September, 1994. My Condo home faces Government Street and looks directly down (to the west) on the VIB location. The VIB site which was a bookstore when I took possession of my Condo.

Why is this applicant NOT a good neighbor? VIB has consistently and persistently chosen to NOT show any regard or respect for its adjacent neighbors. Their business operations continue to be selfish and inconsiderate of the neighborhood in which they operate. Their operation is very odious and offensive to many down-wind neighbors!

To explain, the effluent exited from their smokestacks is blown directly into their neighbors windows, suites, hallways and all common areas creating an unpleasant and undesirable smell due to the prevailing westerly wind from the ocean.

VIB is NOT a considerate neighbor!

Further, VIB continues and persistently chooses to perform its significant brewing operation/smokestack effluent operation during the late afternoon hours – the hours when it is most desirable for the adjacent neighbors to enjoy the opportunity of their outdoor patio during the best hours of the day. This has been discussed with VIB many times over the years however without any significant consideration by VIB!

All of these issues have been a subject of dispute and much discussion between residents of Lexington Park, the City of Victoria Bylaw Section and VIB over the past years! This discussion eventually led to the City of Victoria requiring VIB to install a 'scrubber system' some years ago in order to remove the obnoxious smell from their smokestack effluent. This step was welcomed by the Lexington Park residents however VIB operationally chooses to mostly continue its brewing operations **without the 'scrubber activated'** therefore continuing to spew the brewery stink into our homes. The VIB practice is most likely due to economic reasons and the cost required to operate the 'scrubbers' while brewing.

I have telephoned them on occasion over the years and requested that VIB turn on their 'scrubbers' which once turned on greatly reduces the brewing stink.

I DO NOT AGREE with any allowance for an expansion of their present operations for the purposes as applied for as in my opinion, **VIB will very likely take any opportunity available to take advantage for themselves to the detriment of or consideration for the lifestyle of the adjacent neighbors including causing increased noise, increased area traffic and additional parking congestion.** Parking in this area is very limited especially during weekday business hours.

It is not acceptable to grant VIB an open opportunity for activities such as have been permitted to Phillips Brewery by the City of Victoria on a limited number of summer weekends the last several years. These weekend concerts have proved to be excessively noisy and intrusive to the peaceful lives of all nearby residents as the activity noise is funnelled directly down the Government Street corridor via the relatively open existing development. This type of **activity cannot be allowed to happen** with Vancouver Island Brewery via any possible operational interpretation of this expanded use permit request.

It is distressing to see the application for a 7 day week of 14 hours each day! This is excessive and really is only a blank check to VIB at the potential expense of the privacy and neighborhood quiet -especially on the weekends when VIB is not normally operational. **I do not agree with this excessive and unnecessary operation schedule!**

Further, I wish to remind the City of Victoria that the Condo development known as Lexington Park was approved by the City of Victoria during the early 1990's before VIB took occupancy of their present site. This City development approval has the meaning that the City has an on-going obligation to protect the environment of all adjacent residents and developments. As such, as a long-time resident and tax payer, it is my expectation that the City has an obligation to the residents of Lexington Park to protect and provide an acceptable environment (both smell, sound and visually) for all the residents of Lexington Park. **This is NOT LIKELY to happen if this application is approved!** To this point, the City of Victoria has not ensured this with the Vancouver Island Brewery's operations!

Vancouver Island Brewery's operations to-date and **likely proposed future operations do not/will not likely provide an environment in which ALL residents can co-exist satisfactorily in a clean air, non-congested peaceful environment!** That is the ONLY interest of all adjacent residents. It definitely is every resident's right as City of Victoria taxpayers.

As a resident of this section of Government Street, this application for a Special Event Area use is not acceptable nor is any further expansion of Brewery operations in my neighborhood.

Thanks,

V. J. Swanson
#410 – 649 Bay Street
Lexington Park Condominlums
Victoria, B. C.

#2) In Opposition

Mark Hayden

From: lbrekelm [REDACTED]
Sent: Monday, Jun 1, 2015 10:53 PM
To: Liquor Licence Email
Subject: Application special event area Island Pacific Brewing Company

Island Pacific Brewing Company - application special event area license

I would like to register a protest against this application.

The brewery is directly across the street from a Condo complex - 649 Bay St. This complex contains reasonably priced units which have 2 bedroom 2bath (about 1000sqft). This attracts young families, young working people and seniors. The units are mostly owner occupied. A special events area directly across the street which could possibly run 13 hours a day 7 days a week has the potential for greatly disrupting this community with increased noise and traffic, public drunkenness and fighting, increased crime (drugs), criminal damage, public urination (as well as defecation & vomiting), etc. There is also the potential for increased police presence which could mean sirens, shouting and bull horns.

In addition, Island Pacific Brewing has a history of violating bylaws as to the release of smells from its production which creates concerns as to their ability to control crowds, especially uninvited guests.

While the location is on the cusp of the downtown core, it is now reasonably quiet at night. The community residents should not be subjected to a disturbance of the peace and a public nuisance. The only beneficiary of this license would be Island Pacific Brewing Company not the community.

Also, if I made noise that could be heard outside my unit after 10pm, I would expect the police to be calling. So I don't understand how the city allows outdoor venues can be allowed to make noise after 10 pm that can be heard many blocks away (actual words sung or spoken). Does the city enforce noise levels at these events

I suggest that Island Pacific Brewing Company must make application each time for a special event to show that they have controls in place, that they be limited in the hours of operation for any event and that if the event is outside that it follow the noise bylaw of 10pm.

#3) In Opposition

Mark Hayden

From: Tim Bauer [REDACTED]
Sent: Saturday, May 23, 2015 2:35 PM
To: Liquor Licence Email
Subject: 2330 Government, Island Pacific Brewing - Permanent Change Special Event

Hi I live in the Condos across the street from Island Pacific Brewery.

I am not in favour of the proposed change, my main concern is the noise that will be generated from loud music (if the events are held outside) this will make it impossible to enjoy our outdoor patios and to have our windows open in the evening.

We had plenty of noise last year from this type of event at Phillips Brewery. The loud rap music was not pleasant.

If you would like to discuss further please respond back.

Thanks,

Sent from my iPad

Tim

#4) In Opposition

201-689 Bay Street Victoria BC V8T 5H9

May 23, 2015

Manager, Bylaw and Licensing Services
c/o Legislative Services
1 Centennial Square
Victoria BC V8W 1P6

Via email: liquorlicence@victoria.ca

Re: Notice of Application for a Special Event Area Endorsement for a Brewery License

Dear Bylaw and Licensing Services Manager:

I am writing this letter in response to your notice of May 12, 2015, providing residents within the vicinity of the Vancouver Island Brewery an opportunity to comment on their application for a special area endorsement. I am providing notice to the public record that I am not in favor of this application as it currently stands.

Over the past 10 years, there has been an increasing number of public events in the downtown area. As a resident in the downtown core, I have found that in spite of what I understand to be bylaw restrictions (restricting noise after 11 pm), that loud event noise and music has often persisted beyond those hours. There seems to be very little recourse available to have the noise mitigated when it persists, particularly when it is difficult to ascertain the origin of the particular festival. I (along with other residents of Lexington Park I am sure) have been subjected to excessive noise from other festivals at other breweries, Centennial Square, Royal Athletic Park or other areas during the summer months, impacting our ability to relax and sleep at a reasonable hour. I believe that this license will exacerbate the issue.

Furthermore, I have had past concerns with the Brewery's adherence to other bylaws in the past and spent many years repeatedly notifying (a former) bylaw enforcement officer of the Brewery's infractions. As a result, I do not have the confidence that license restrictions will be followed and complaints may ensue.

I would be in favour of an amended endorsement allowing events to transpire **between 9 a.m. until 10:30 on Friday and Saturday evenings**. While the event may end at the time stipulated on the license, the noise in the area will undoubtedly persist after the culmination of the event and this fact should be taken into consideration. In addition to the noise emanating from the event location itself, there will likely be an increased number of intoxicated and loud persons traversing Government, Bay and Douglas Streets affecting residents' ability to retire at a reasonable hour.

As I periodically work from home during the weekdays, I am not in favour of the license being extended during the weekday hours, but **would endorse weeknight events from 6 pm. To 9 pm.**

Thank you for the opportunity to submit my views on this proposed amendment to the Vancouver Island Brewery's license.

Sincerely,

Lori Roter

#5) In Opposition

Mark Hayden

From: Barb MacDonald [REDACTED]
Sent: Friday, May 22, 2015 9:50 AM
To: Liquor Licence Email
Subject: Fwd: Against special event license VI Brewing

I live@ 649 Bay Street, along with another 100 families, right across the street from the foul smelling brewery. I bought pre-construction and the site was originally a bookstore. The smell is so bad we have to sit in the summer with windows and doors closed, totally disgusting. I have lost over 100 grand in property value, thanks so much city of victoria. Getting a property tax refund this year ;-(

Already there are tour drop-off's in the middle of the road because the tour drivers are too lazy to pull into the parking lot, better to stop traffic. Already there are drunk people coming out of there late at night and peeing outside in the bushes, so disgusting, and not just men. The loud sounds of drunk people travel right to us and I for one do not find loud, drunk people outside late at night a pleasure in any way or fashion.

We are suffering here enough, the City allowed the music & p.a. system to be so loud last summer, I could not even hear my own voice or my TV programs and sleep was impossible. I will be calling the police this year for sure and will encourage the same of my neighbours.

We have had enough abuse from the City of Victoria, you try and live here.

Barbara MacDonald
406-649 Bay Street



OAKCREST PARK ESTATES LTD.

May 25, 2015

City of Victoria
c/o Legislative Services
1 Centennial Square
Victoria, BC V8W 1P6

Attention: Manager, Bylaw and Licensing Services

Dear Sir:

**Notice of Application for a Special Event Area Endorsement for a Brewery License
Liquor Control and Licensing Act – Permanent Change to add a Special Event Area Endorsement
Island Pacific Brewing Company (Vancouver Island Brewing Company)
2330 Government Street, Victoria, BC**

We have received your letter of May 12, 2015, regarding an application from Island Pacific Brewing Company to change their licence conditions at 2330 Government Street.

Please be advised that we are the owner of the building adjacent to the Brewery and we support the application.

If you have any questions, please feel free to contact me.

Yours truly,

OAKCREST PARK ESTATES LTD.

R. Thomas Burley, CPA FCA
General Manager/CEO

RTB/dal