

# City of Surrey PLANNING & DEVELOPMENT REPORT File: 7916-0120-00

Planning Report Date: June 12, 2017

#### PROPOSAL:

- Rezoning from IL to CD
- Liquor License Application

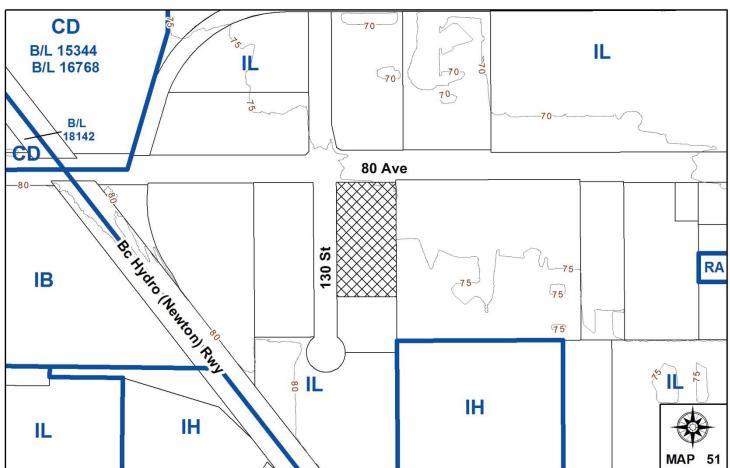
to allow ancillary retail sales and on-site purchase and consumption of alcoholic products manufactured on the premises, within a proposed lounge area associated with an existing brewery.

LOCATION: 13018 - 80 Avenue

**OWNER:** West-Bend Construction Ltd.

ZONING: IL

**OCP DESIGNATION:** Industrial



#### RECOMMENDATION SUMMARY

• By-law Introduction and set date for Public Hearing for Rezoning and to solicit resident opinions on the proposed lounge area endorsement.

#### DEVIATION FROM PLANS, POLICIES OR REGULATIONS

None.

#### **RATIONALE OF RECOMMENDATION**

- On March 1, 2013, an amendment to the <u>Liquor Control and Licensing Act</u> regulations came into effect, to permit brewers and distillers to apply for a lounge area. The amendments were intended to support the craft brewing and distilling industries.
- The IL Zone, which regulates the site, does not permit a lounge associated with a brewery, nor does it permit retail sales of products manufactured on the subject site.
- The proposed rezoning to permit a lounge and ancillary retail sales is in keeping with recent changes to the provincial regulations, to allow the purchase and consumption of liquor products manufactured on the site.
- The proposed lounge, although not considered a liquor primary establishment, is in substantial compliance with the Surrey's locational criteria for liquor primary establishments.
- There is sufficient off-street parking on the subject site for the manufacturing use and the proposed lounge area.

#### **RECOMMENDATION**

The Planning & Development Department recommends that a By-law be introduced to rezone the subject site from "Light Impact Industrial Zone (IL)" (By-law No. 12000) to "Comprehensive Development Zone (CD)" (By-law No. 12000) and a date be set for Public Hearing to solicit resident opinions on the proposed rezoning and the lounge area endorsement.

#### **REFERRALS**

Engineering: The Engineering Department has no objection to the proposal.

#### **SITE CHARACTERISTICS**

<u>Existing Land Use:</u> Two one-storey multi-tenant industrial buildings.

#### **Adjacent Area:**

| Direction                 | Existing Use                                | OCP Designation | Existing Zone |
|---------------------------|---|-----------------|---------------|
| North (Across 80 Avenue): | Industrial building.                        | Industrial      | IL            |
| East:                     | Industrial buildings with multiple tenants. | Industrial      | IL            |
| South:                    | Industrial building.                        | Industrial      | IL            |
| West (Across 130 Street): | Industrial buildings with multiple tenants. | Industrial      | IL            |

#### **DEVELOPMENT CONSIDERATIONS**

#### **Background:**

- 13018 80 Avenue is a 1.3 acre (0.5 ha) site that is designated Industrial in the Official Community Plan (OCP) and is zoned "Light Impact Industrial Zone (IL)".
- The subject site consists of two one-storey multi-tenant industrial buildings.
- Five (5) units (units 100 and 200-203) are currently operating as a brewery owned by the Russell Brewing Company.
- The brewery use is permitted under the IL Zone; however, neither a lounge associated with a brewery, nor retail sales of products manufactured on site are permitted under the IL Zone.

Prior to March 2013, on-site patron consumption opportunities for breweries and distilleries
was limited to the operation of an on-site tasting room where samples could be offered at no
charge. Breweries could charge for samples but were limited to 375ml (13 ounces) per patron
per day.

#### **Current Proposal**

- On March 1, 2013 <u>Liquor Control and Licensing Act</u> regulations were amended to allow brewers and distillers to apply for endorsement areas at their manufacturing site where patrons may consume liquor manufactured on the premises. These endorsements include special event area, lounge, tour area and picnic area.
- The provincial regulations define a lounge as an indoor or patio area of the brewery or distillery where customers can purchase and consume alcoholic products that are made onsite.
- The Liquor Control and Licensing Branch (LCLB) requires input from the local government on proposed lounges as part of the licensing process. Resident opinions on the proposed lounge area endorsement will be solicited through a Public Information Meeting, which will be held in the form of a Public Hearing associated with the subject rezoning
- Russell Brewing Company has applied for a liquor endorsement for the lounge area for the brewery license. The license area is approximately 70 square metre (753 sq.ft.) of floor area, located within the existing footprint of the Russell Brewery, and is comprised of a 56 square metre (602 sq.ft.) area at the main entrance to the unit and a 14 square metre (150 sq.ft.) patio along the outside of the building on 130 Street (Appendix II).
- Surrey Zoning By-law defines *neighbourhood pubs* as businesses licensed as liquor primary. The proposed lounge is not a liquor primary establishment and not considered a neighbourhood pub due to the necessary link with the liquor manufacturing.
- The IL Zone does not permit a neighbourhood pub (liquor primary) license as a permitted use, nor a lounge associated with a brewery. The applicant has requested to rezone the subject site in order to permit a brewery tasting lounge as an accessory use to an on-site brewery.
- The lounge endorsement does not function like a regular neighbourhood pub. Food service
  will be limited, whereas neighbourhood pubs have full kitchens and offer a full menu choice.
  The only liquor products that can be offered for sale are the products manufactured on site.
- The proposed hours of operation for the proposed lounge area are from 11:00 a.m. to 11:00 p.m. seven days a week. The proposed hours of operation are within Council's policy on hours of operation for liquor primary establishments, which recommends liquor primary establishments to operate from 11: 00 a.m. to 1:00 a.m. Sunday to Thursday and 11:00 a.m. to 2:00 a.m. on Friday and Saturday.
- Minors are permitted in the lounge area, provided that they are accompanied by an adult.

• For industrial developments, parking is calculated at 1 space/100 square metres of gross floor area, including mezzanine floor area (1,1075 sq.ft). A total of 21 parking spaces are required to accommodate the light impact industrial uses on the subject site. For the ancillary office and in this case, the on-site retail store uses, parking requirements are calculated at a ratio of 2.5 spaces/100 square metres of gross floor area (1,1075 sq.ft.). A total of 17 parking spaces are required to accommodate the office and on-site retail store uses on the subject site.

- The proposed lounge area will require 8 parking spaces based on the "neighbourhood pub" land use, which is the closest equivalent.
- A total of 46 parking spaces are required to accommodate the light impact industrial, office and on-site retail store uses on the subject site. The site currently has 48 parking spaces; 2 more than the total number of spaces required for all of the existing uses on the site and the proposed tasting lounge.
- Interior building changes to accommodate the tasting and retail areas will be resolved through a Tenant Improvement Building Permit.

#### Proposed CD By-law

- The proposed CD By-law is identical to the IL Zone, with the addition of the following accessory uses:
  - Licensed lounge and special events areas as regulated by the <u>Liquor Control and Licensing Act</u> R.S.B.C., 1996, c. 267, as amended, provided that the combined areas do not exceed a floor area of 70 square metre (753 sq. ft.); and
  - Retail sales of products manufactured on site limited to a floor area of 96 square metres (1,033 sq. ft.) as an accessory use to accommodate the retail component associated with the brewery.
- In part F, Yards and Setbacks, the minimum setbacks in the proposed CD By-law reflect the existing buildings.
- No other changes are proposed to the IL Zone.

#### <u>Liquor License Approval Requirements</u>

- The Liquor Control and Licensing Branch (LCLB) requests that the applicant secure local government endorsement before the application can be considered for approval by the LCLB.
- Additionally, the LCLB requires that Council comment on how the site satisfies specified criteria to ensure that adequate consideration has been given to the application by the local government. The analysis of the criteria for this site is provided as follows:

#### (a) The location of the establishment

- The City's long-standing locational guidelines for liquor primary establishments are as follows:
  - Select a site close to a residential area but not surrounded by residential area;

- Select a site that is adjacent to or in a local commercial node;
- Do not select a site on a provincial highway; and
- Locate further than 400 metres (1,310 ft.) from a school, children's park or playground.
- The subject site is located at the corner of 80 Avenue and 130 Street, in the centre of an established industrial area. Residential areas are located to the west of the subject site (approximately 585 metres (1,919 ft.) away) and to the east of the subject site (approximately 330 metres (1,083 ft.) away);
- The site is located more than 700 metres (2,300 ft.) from the closest park (Hunt Road Park) located in the 12600 block of 80 Avenue and more than 600 metres (1,968 ft.) from the closest school (Newton Elementary School);
- o The site is not located on a Provincial highway; and
- O Under the locational criteria established by the City, a liquor primary licensed facility should not be located within 1.6 kilometres (1 mile) of an existing liquor primary license. The only liquor primary license that is within the vicinity of the subject site is the Hook and Ladder Pub, located approximately 1.6 kilometres (1 mile) from the subject site at 8553 132 Street.

## (b) The proximity of the establishment to social and recreational facilities and public buildings

- o The site is located in an industrial area, away from residential uses;
- O The site is located more than 700 metres (2,300 ft.) from the closest park (Hunt Road Park) located in the 12600 block of 80 Avenue and more than 600 metres (1,968 ft.) from the closest school (Newton Elementary School) located at 13359 81 Avenue; and
- The proposed operation of a lounge should not have any negative impact on the existing parks or schools in the area.

#### (c) The hours of liquor service and person capacity of the establishment

- o The proposed hours of operation for the proposed lounge area are from 11:00 a.m. to 11:00 a.m. seven days a week. The proposed hours of operation are within Council's policy on recommended hours of operation for liquor primary establishments; and
- o The applicant has requested a maximum occupant load of 50 persons.

## (d) The number and market focus or clientele of liquor primary licensed establishments within a reasonable distance of the proposed location

The intent of the proposed liquor primary license is to promote the products manufactured on the site. The current proposal is in keeping with the recent amendments to the Liquor Control and Licensing Regulations by the Provincial government.

### (e) The impact of noise on the community in the immediate vicinity of the establishment

- o The site already operates as a manufacturer and distributer of Russell Brewing Company beer products;
- o The site is located in an industrial area, away from residential uses; and
- o Additional noise is not anticipated from the proposed lounge.

#### PRE-NOTIFICATION

In accordance with Council policy a development proposal sign has been erected on the property and pre-notification letters were sent on May 1, 2017. No concerns have been expressed concerning the development proposal.

#### **INFORMATION ATTACHED TO THIS REPORT**

The following information is attached to this Report:

Appendix I. Lot Owners and Action Summary
Appendix II. Floor Plan of the Tasting Lounge Area

Appendix III. Engineering Comments Appendix IV. Proposed CD By-law

original signed by Ron Hintsche

Jean Lamontagne General Manager Planning and Development

TH/da

#### Information for City Clerk

Legal Description and Owners of all lots that form part of the application:

1. (a) Agent: Name: Rebecca Hardin

Rising Tide Consultants

Address: #1620, 1130 West Pender

Street Vancouver, BC

V<sub>3</sub>E <sub>4</sub>A<sub>4</sub>

2. Properties involved in the Application

(a) Civic Address: 13018 - 80 Avenue

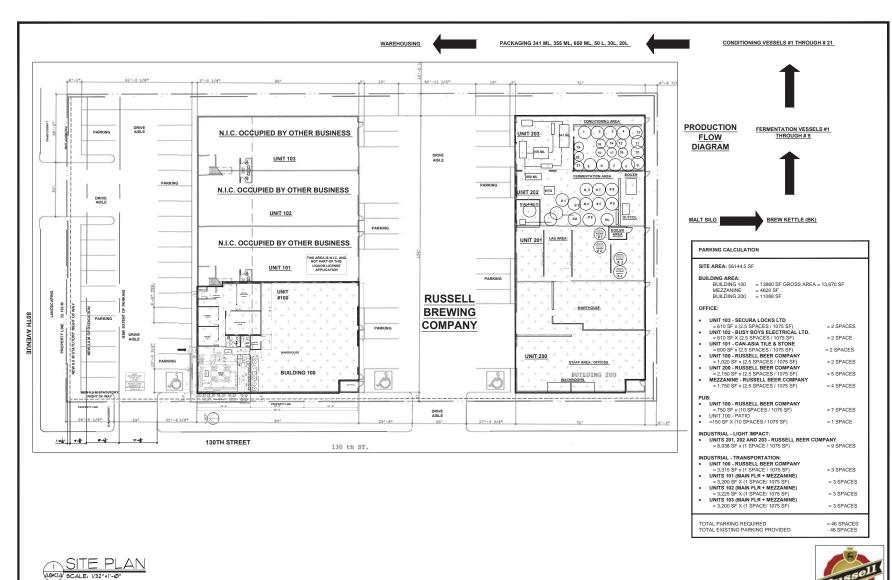
(b) Civic Address: 13018 - 80 Avenue

Owner: West-Bend Construction Ltd

PID: 009-646-493

Lot 3 Section 20 Township 2 New Westminster District Plan 76694 Except Plan EPP67033

- 3. Summary of Actions for City Clerk's Office
  - (a) Introduce a By-law to rezone the site.



RUSSELL BEER TASTING ROOM
13018-80th AVENUE, SURREY, BC
For RUSSELL BREWING CO.

no date description

architects Ital

420 - 745 THURLOW ST WANCOUVER, BC V6E035 TELEPHONE (604) 6872334

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### INTER-OFFICE MEMO

TO:

Manager, Area Planning & Development

- South Surrey Division

Planning and Development Department

FROM:

Development Services Manager, Engineering Department

DATE:

June 6, 2017

PROJECT FILE:

7816-0120-00

RE:

Engineering Requirements (Commercial/Industrial)

Location: 13018 80 Ave

#### REZONE

There are no Engineering requirements related to this amendment to the zone which will allow for a tasting lounge on site. Future developments on the site involving rezone or subdivision would trigger road dedications and works and services.

Servicing Agreement is <u>not</u> required prior to this Rezone.

Rémi Dubé, P.Eng.

Development Services Manager

M51

#### **CITY OF SURREY**

| <b>BYLAW</b> | NO. |  |
|--------------|-----|--|
|--------------|-----|--|

| A by-lav | v to amend | d Surrey Zoning | g By-law, 1993, 1 | No. 12000, as amended |
|----------|------------|-----------------|-------------------|-----------------------|
|          |            |                 |                   |                       |

THE CITY COUNCIL of the City of Surrey ENACTS AS FOLLOWS:

1. Surrey Zoning By-law, 1993, No. 12000, as amended, is hereby further amended, pursuant to the provisions of Section 479 of the <u>Local Government Act</u>, R.S.B.C. 2015 c. 1, as amended by changing the classification of the following parcels of land, presently shown upon the maps designated as the Zoning Maps and marked as Schedule "A" of Surrey Zoning By-law, 1993, No. 12000, as amended as follows:

FROM: LIGHT IMPACT INDUSTRIAL ZONE (IL)

TO: COMPREHENSIVE DEVELOPMENT ZONE (CD)

\_\_\_\_\_

Parcel Identifier: 009-646-493 Lot 3 Section 20 Township 2 New Westminster District Plan 76694 Except Plan EPP67033

13018 - 80 Avenue

(hereinafter referred to as the "Lands")

2. The following regulations shall apply to the *Lands*:

#### A. Intent

This Comprehensive Development Zone is intended to accommodate and regulate the development of *light impact industry*, *transportation industry*, *warehouse uses*, *distribution centres*, limited retail of products manufactured on the site, and limited office and service uses.

#### **B.** Permitted Uses

The *Lands* and *structures* shall be used for the following uses only, or for a combination of such uses:

- 1. *Light impact industry.*
- 2. *Recycling depots* provided that:
  - (a) The use is confined to an enclosed *building*; and

- (b) The storage of used tires is prohibited.3. Transportation industry.
- 4. Automotive service uses.
- 5. Automobile painting and body work.
- 6. *Vehicle* storage including recreational *vehicle* storage.
- 7. Industrial equipment rentals.
- 8. *General service* uses limited to the following:
  - (a) Driving schools;
  - (b) Taxi dispatch offices;
  - (c) *Industrial* first aid training; and
  - (d) Trade schools.
- 9. *Warehouse* uses.
- 10. Distribution centres.
- 11. Office uses limited to the following:
  - (a) Architectural and landscape architectural offices;
  - (b) Engineering and surveying offices;
  - (c) General contractor offices;
  - (d) Government offices; and
  - (e) Utility company offices.
- 12. *Accessory uses* including the following:
  - (a) Retail sales of products manufactured on the premises, provided the retail area is limited to a maximum floor area of 96 square metres [1,033 sq.ft.];
  - (b) Licensed lounge and special events areas as regulated by the <u>Liquor Control and Licensing Act</u> R.S.B.C., 1996, c. 267, as amended, provided that the combined areas do not exceed a floor area of 70 square metres [753 sq.ft.];
  - (c) Coffee shops provided that the seating capacity shall not exceed 35 and the said coffee shop is not licensed by the <u>Liquor Control and Licensing Act</u>, R.S.B.C. 1996, Chapter 267, as amended;

- (d) *Recreation facilities*, excluding go-kart operations, drag racing and rifle ranges;
- (e) Community services;
- (f) *Assembly halls* limited to *churches*, provided that:
  - i. The *church* does not exceed a total floor area of 700 square metres (7,500 sq. ft.);
  - ii. The church accommodates a maximum of 300 seats; and
  - iii. There is not more than one *church* on a *lot*.
- (g) *Child care centres*;
- (h) One dwelling unit provided that the dwelling unit is:
  - i. Contained within the *principal building*;
  - ii. Occupied by the owner or caretaker, for the protection of the businesses permitted; and
  - iii. Restricted to a maximum number of:
    - a. One *dwelling unit* in each *principal building* less than 2,800 square metres [30,000 sq.ft.] in floor area;
    - b. Two *dwelling units* in each *principal building* of 2,800 square metres [30,000 sq.ft.] or greater in floor area; and
    - c. Notwithstanding Sub-sections B.12 (h) iii.a. and iii.b., the maximum number shall be two *dwelling* units.
  - iv. Restricted to a maximum floor area of:
    - a. 140 square metres [1,500 sq.ft.] for one (first) dwelling unit on a lot and where a lot has been subdivided by a strata plan then there shall only be one 140-square metre [1,500 sq.ft.] dwelling unit within the strata plan;
    - b. 90 square metres [970 sq.ft.] for an additional *dwelling unit*; and
    - c. Notwithstanding Sub-sections B.12 (h) iv.a. and iv.b., the maximum floor area shall not exceed 33% of the total floor area of the *principal building* within which the *dwelling unit* is contained; and

- (i) Sales of rebuilt *vehicles* less than 5,000 kilograms [11,023 lbs.] *G.V.W.* provided that:
  - i. It is part of an automobile painting and body work business;
  - ii. The number of rebuilt *vehicles* ready for sale shall not exceed 5 at any time;
  - iii. The business operator holds a current and valid Motor Dealer's certificate; and
  - iv. The business operator is an approved Insurance Corporation of British Columbia Salvage Buyer.

#### C. Lot Area

Not applicable to this Zone.

#### D. Density

The *floor area ratio* shall not exceed 1.0.

#### E. Lot Coverage

The *lot coverage* shall not exceed 60%.

#### F. Yards and Setbacks

*Buildings* and *structures* shall be sited in accordance with the following minimum *setbacks*:

| Setback<br>Use                     | Front<br>Yard | Rear<br>Yard | Side<br>Yard | Side Yard<br>on Flanking<br>Street |
|------------------------------------|---------------|--------------|--------------|------------------------------------|
| Principal Buildings                | 7.5 m         | o m          | 4 m          | 1.5 m                              |
|                                    | [25 ft.]      | [o ft.]      | [13 ft.]     | [5 ft]                             |
| Accessory Buildings and Structures | 7.5 m         | 7.5 m        | 7.5 m*       | 7.5 m                              |
|                                    | [25 ft.]      | [25 ft.]     | [25 ft.]     | [25 ft.]                           |

Measurements to be determined as per Part 1 Definitions of Surrey Zoning By-law, 1993, No. 12000, as amended.

<sup>\*</sup> One (1) side yard setback shall be 7.5 metres [25 ft.] or 0.0 metre.

#### G. Height of Buildings

Measurements to be determined as per Part 1 Definitions of Surrey Zoning By-law, 1993, No. 12000, as amended.

- 1. <u>Principal buildings</u>: The building height shall not exceed 18 metres [60 ft.].
- 2. <u>Accessory buildings</u> and <u>structures</u>: The <u>building height</u> shall not exceed 6 metres [20 ft.].

#### H. Off-Street Parking

*Parking spaces* shall be provided in accordance with Part 5 Off-Street Parking and Loading/Unloading of Surrey Zoning By-law, 1993, No. 12000, as amended.

#### I. Landscaping

- 1. All developed portions of the *lot* not covered by *buildings*, *structures* or paved areas shall be landscaped including the retention of mature trees. This *landscaping* shall be maintained.
- 2. Along the developed sides of the *lot* which abut a *highway*, a continuous *landscaping* strip of not less than 1.5 metres [5 ft.] in width shall be provided within the *lot*.
- 3. The boulevard areas of *highways* abutting a *lot* shall be seeded or sodded with grass on the side of the *highway* abutting the *lot*, except at *driveways*.
- 4. Garbage containers and *passive recycling containers* shall be screened to a height of at least 2.5 metres [8 ft.] by *buildings*, a *landscaping* screen, a solid decorative fence, or a combination thereof.
- Open display and storage shall be completely screened to a height of at least 2.5 metres [8 ft] by *building* and/or solid decorative fencing and/or substantial *landscaping* strips of not less than 2.5 metres [8 ft.] in height and not less than 1.5 metres [5 ft] in width. No display or storage of material shall be piled up to a height of 2.5 metres [8 ft.] within 5 metres [16 ft.] of the said screen and in no case shall these materials be piled up to the height of more than 3.5 metres [12 ft.]

#### J. Special Regulations

- 1. *Land* and *structures* shall be used for the uses permitted in this Zone only if such uses:
  - (a) Constitute no unusual fire, explosion or safety hazard;

- (b) Do not emit noise in excess of 70 dB measured at any point on any boundary of the *lot* on which the use is located.
- (c) Do not produce heat or glare perceptible from any *lot line* of the *lot* on which the use is located.
- 2. Outdoor storage of any goods, materials or supplies is specifically prohibited between the front of the *principal building* and the *highway*.
- 3. *Child care centres* shall be located on the *lot* such that these centres have direct access to an *open space* and play area within the *lot*.

#### K. Subdivision

*Lots* created through subdivision in this Zone shall conform to the following minimum standards:

| Lot Size    | Lot Width | Lot Depth |
|-------------|-----------|-----------|
| 1,800 sq.m. | 30 metres | 30 metres |
| [0.5 acre]  | [100 ft]  | [100 ft.] |

Dimensions shall be measured in accordance with Section E.21, Part 4 General Provisions of Surrey Zoning By-law, 1993, No. 12000 as amended.

#### L. Other Regulations

In addition to all statutes, bylaws, orders, regulations or agreements, the following are applicable, however, in the event that there is a conflict with the provisions in this Comprehensive Development Zone and other provisions in Surrey Zoning By-law, 1993, No. 12000, as amended, the provisions in this Comprehensive Development Zone shall take precedence:

- 1. Definitions are as set out in Part 1 Definitions, of Surrey Zoning By-law, 1993, No. 12000, as amended.
- 2. Prior to any use, the *Lands* must be serviced as set out in Part 2 Uses Limited, of Surrey Zoning By-law, 1993, No. 12000, as amended and in accordance with the servicing requirements for the IL Zone as set forth in the Surrey Subdivision and Development By-law, 1986, No. 8830, as amended.
- 3. General provisions are as set out in Part 4 General Provisions, of Surrey Zoning By-law, 1993, No. 12000, as amended.
- 4. Additional off-street parking requirements are as set out in Part 5 Off-Street Parking, of Surrey Zoning By-law, 1993, No. 12000, as amended.
- 5. Sign regulations are as set out in Surrey Sign By-law, 1999, No. 13656, as amended.

| 6.  | 1                    | Special <i>building setbacks</i> are as set out in Part 7 Special Building Setbacks, of Surrey Zoning By-law, 1993, No. 12000, as amended.  |        |        |  |
|---|----------------------|---|--------|--------|--|
| 7.  | 5 1                  | Building permits shall be subject to the Surrey Building By-law, 2012, No. 17850, as amended.   |        |        |  |
| 8.  | By-law, 2017, No. 19 | Building permits shall be subject to Surrey Development Cost Charge By-law, 2017, No. 19107, as may be amended or replaced from time to time, and the development cost charges shall be based on the IL Zone. |        |        |  |
| 9.  | Surrey Tree Protect  | Surrey Tree Protection By-law, 2006, No. 16100, as amended.   |        |        |  |
| 10.   |                      | Development permits may be required in accordance with the Surrey Official Community Plan By-law, 2013, By-law No. 18020, as amended.   |        |        |  |
| 11.   | •                    | Provincial licensing of lounge and special event areas are regulated by the <u>Liquor Control and Licensing Act</u> R.S.B.C., 1996, c. 267, as amended.   |        |        |  |
| 3. This By-law shall be cited for all purposes as "Surrey Zoning By-law, 1993, No. 12000, Amendment By-law, , No" |                      |   |        |        |  |
| PASSED FIRST REA  | ADING on the t       | h day of  | , 20 . |        |  |
| PASSED SECOND   | READING on the       | th day of   | , 20 . |        |  |
| PUBLIC HEARING  | HELD thereon on the  | th day o  | of     | , 20 . |  |
| PASSED THIRD RI   | EADING on the        | th day of   | , 20 . |        |  |

**MAYOR** 

**CLERK** 

Corporate Seal on the

RECONSIDERED AND FINALLY ADOPTED, signed by the Mayor and Clerk, and sealed with the

, 20 .

th day of