

3.0 BACKGROUND INFORMATION

- 3.1 The subject site, zoned M2 General Industrial District, is located within the Royal Oak Community Plan area and is designated for Medium Density Multiple Family Residential use. The site is improved with a one storey industrial building with a high ceiling. Surrounding properties, also zoned M2 District, are improved with one and two storey industrial buildings to the south, east, and west, and the Expo SkyTrain guideway to the north across Beresford Street.
- 3.2 Since 2013, the Liquor and Cannabis Regulation Branch (LCRB) has permitted breweries with a manufacturer's licence to apply for a lounge endorsement, which allows the sale and serving of beer by the glass or bottle within a designated lounge area on the site of the manufacturing use. As per the *Burnaby Zoning Bylaw*, an accessory lounge use is distinct from a liquor licence establishment, which is defined as "*an establishment selling or dispensing liquor for which a liquor primary licence or a liquor primary club licence is required under the Liquor Control and Licensing Act.*" New liquor primary establishments are only permitted in select commercial and institutional zones under rezoning to the applicable "a" or "f" sub-districts. A brewery lounge, like a tasting room or on-site retail store, is permitted as an accessory use to a principal alcohol manufacturing use in the M2 and M3 Districts. The LCRB's licensing process requirements are similar to those required for liquor primary applications, and local governments are requested to provide comment on lounge endorsement applications.
- 3.3 On 2020 November 09, Council supported a brewery lounge endorsement for Studio Brewing on the subject site. On 2021 October 20, Council supported an amendment to the brewery lounge endorsement to increase the total person capacity of the establishment from 48 persons to 54 persons. The current liquor licence approved for the establishment permits the daily inside hours of 11:00am to 2:00am. The lounge is approximately 81.3 m² (875 sq. ft.), with capacity for 54 persons. No concerns were received from the public during the City-led public consultation process for the original lounge endorsement in 2020 or the liquor licence amendment to increase the total person capacity in 2021.
- 3.4 In May 2020, in response to the COVID-19 pandemic and to support the Provincial Health Officer's orders, the LCRB introduced Temporary Expanded Service Areas (TESA) to permit food primary, liquor primary, and manufacturer licensees to temporarily expand liquor service areas, without increasing the existing approved person capacity. In support of this LCRB initiative, Council adopted amendments to the *Zoning Bylaw* to permit the temporary expansion of outdoor seating areas for food and beverage establishments into on-site parking spaces and yards, together with other relaxations.
- 3.5 In December 2020, Studio Brewing received authorization from the LCRB and the City to open a temporary outdoor patio for up to 46 persons of the existing person capacity between the hours of 11:00am to 10:00pm. The LCRB has since established that all TESA authorizations will expire on 2023 March 31. Therefore, by that date, all temporary expanded service areas must either cease to operate or obtain LCRB authorization to operate permanently as part of the manufacturer's liquor licence.

To: Chief Administrative Officer
From: General Manager Planning and Development
Re: Liquor Licence Application #22-04
Studio Brewing Liquor Licence Application

2022 November 16Page 3

- 3.6 The LCRB, as part of its assessment process for manufacturer's liquor licence amendment applications, requests that local government provide comment. If a local government opts to provide comment, the LCRB requests that local government gather public input for the community near the proposed establishment.
- 3.7 On 2003 May 05, Council adopted recommendations for processing procedures and guidelines for liquor license applications, in which Council would continue to receive reports on applications for new or amended liquor primary licences that propose a permanent extension of hours, an increase in person capacity, or the addition of a patio. Lounge endorsements, which have only been permitted by the LCRB since 2013 and are considered accessory to a manufacturing use, are not specifically referenced in the 2003 Council adopted procedures and guidelines. Nevertheless, it is considered appropriate that staff evaluate this lounge endorsement application against pertinent Council adopted guidelines for evaluating liquor primary applications. Further, additional guidance is outlined in this report to ensure that the proposed lounge endorsement remains as an accessory use to the liquor manufacturer facility.

4.0 DISCUSSION

- 4.1 Studio Brewing has applied to the LCRB for an amendment to its manufacturer licence to increase the total person capacity of the establishment from 54 persons (6 staff and 48 patrons) to 84 persons (6 staff and 78 patrons), to expand the service area for the long term use of an outdoor patio, and to extend the patio operating hours from 11:00am – 10:00pm to 11:00am – 11:00pm.
- 4.2 Studio Brewing currently has an accessory brewery lounge of approximately 81.3 m² (875 sq. ft.) with seats for 48 patrons. The proposed permanent patio would have an approximate area of 63.5 m² (683 sq. ft.), with seats for an additional 30 patrons. Including staff, the total proposed person capacity for the establishment would be 84 persons. The interior lounge currently holds a licence to serve liquor between the hours of 11:00am and 2:00am, and the patio is proposed to be licenced from 11:00am to 11:00pm daily.
- 4.3 The application was first assessed to determine if the lounge and patio would function as an accessory use to the principal industrial uses on-site. In the absence of existing guidelines or regulations, the accessory nature of a brewery manufacturer lounge use was considered within industrial or business park areas. As part of this assessment of accessory use, staff recommend that the following criteria be met:
- the interior floor area assigned to accessory brewery lounge uses not exceed 35% of the business's total floor area;
 - the combined area of the brewery lounge area and any outdoor lounge patio area not exceed the total floor area of the business's principal industrial uses;
 - the floor area and capacity of the interior lounge be equal to or greater than the outdoor permanent patio; and,

To: Chief Administrative Officer
From: General Manager Planning and Development
Re: Liquor Licence Application #22-04
Studio Brewing Liquor Licence Application
2022 November 16Page 4

- the patron capacity for lounge endorsements in industrial and business park areas be limited to 50 patrons inside the lounge, with up to an additional 50 patrons within an outdoor patio area.

With respect to the subject site, the interior brewery lounge is approximately 29% of Studio Brewing's floor area, and the total lounge and patio areas would be less than the floor area assigned to primary M3 District manufacturing and storage uses. Further, the permanent patio would have a total area of 63.5 m² (683 sq. ft.), which is less than the 81.3 m² (875 sq. ft.) assigned to the interior brewery lounge. The larger inside lounge would function as the primary service area for the business, and an important space to provide for staff service areas and bathrooms.

The total person capacity allows for up to 48 patrons inside, 30 patrons on the outdoor patio, and 6 staff (84 persons total). This proposed capacity maintains a smaller brewery lounge establishment that is below the maximum 100 patron capacity for liquor primary establishments in smaller-scale commercial zoning districts (e.g. C1 and C2 Districts) commonly located in neighbourhoods outside of the City's Town Centres.

In summary, the subject lounge and permanent patio would meet the listed criteria above to ensure that the lounge and patio function as an accessory use. The applicant is requesting a relatively modest patio size in the general location of the existing temporary patio already on-site, to allow for a patron capacity that is consistent with smaller-scale commercial liquor establishments, while maintaining the same principal uses on site that make up the majority of the business's floor area.

4.4 The following is an assessment of the proposal's consistency with Council adopted guidelines for liquor primary licences:

(a) *Observance of a sufficient distance from, or physical separation from:*

- *Existing liquor primary establishments*

The two closest liquor primary establishments are approximately 0.6 km (0.37 miles) from the establishment: the Great Bear Pub located at #170-5665 Kingsway and V-Show Karaoke at 6681 Macpherson. Another Karaoke business (Solo Karaoke), located approximately 0.7 km (0.43 miles) away at 6462 Kingsway, is currently requesting zoning for a liquor primary licence as part of Rezoning Reference #20-24, which is an active rezoning bylaw amendment application currently at Second Reading.

- *Residential uses*

A four-storey apartment building is located approximately 130 m (425 ft.) to the south, and is separated from the brewery by an industrial building and Sidley Street. A three to four-storey apartment development is located approximately 130 m (425 ft.) to the southwest and is separated by industrial buildings and Kenneth Avenue. Further, three active rezoning proposals for low-rise multiple family residential developments have been submitted for sites that are all

approximately 120 m (394 ft.) from the subject site, including Rezoning Reference #21-29 and #22-01 along Kenneth Avenue to the west, and Rezoning Reference #22-19 along Buller Avenue to the southeast.

- *Schools*

The nearest secondary school (Burnaby South Secondary) is located approximately 0.4 km (0.25 miles) to the southwest. Windsor Elementary to the northeast and Clinton Elementary to the south are located approximately 0.5 km (0.31 miles) from the establishment.

- *Care facilities*

There are no care facilities in proximity to the subject site.

- *Other uses such as gaming facilities, cyber centres, amusement arcades and billiard halls*

The closest business to note under this category would be Wanyoo eSports (6838 Jubilee Avenue), located approximately 1.2 km (0.74 miles) to the northwest.

(b) *Nature of proposed establishment (e.g. entertainment, outdoor patio, hours and person capacity).*

The nature of the proposed establishment remains consistent with its intent as an accessory lounge and patio to the primary industrial manufacturer use on-site. With respect to operating hours, the interior lounge is currently licenced to operate from 11:00am to 2:00am, daily, and the temporary patio is permitted to operate from 11:00am to 10:00pm, daily. The applicant is requesting that the operating hours for the patio be extended from 11:00am to 11:00pm, daily. These hours for the patio would still limit neighbourhood impact by restricting late night liquor service outdoors. Also requested is an increase to the maximum person capacity of the licenced establishment to allow for 30 patrons on the patio. The total person capacity would be 84 persons (6 staff, 48 patrons inside, 30 patrons on the patio).

(c) *Satisfaction of all parking requirements on site*

There is sufficient off-street parking and loading provided to meet *Zoning Bylaw* requirements. As per *Burnaby Zoning Bylaw* regulations, there are no additional parking requirements for the proposed outdoor patio.

(d) *Safe and convenient access for vehicular traffic to the site, as well as safe access for pedestrians to the liquor licence establishment*

Vehicle access to the brewery is provided along Daisy Avenue and Beresford Street. The BC Parkway, a multi-use path that parallels the SkyTrain guideway, is across Beresford Street.

To: Chief Administrative Officer
From: General Manager Planning and Development
Re: Liquor Licence Application #22-04
Studio Brewing Liquor Licence Application
2022 November 16.....Page 6

(e) *Good proximity of public transit*

The brewery is located within 400 m (1,312 ft.) of a bus stop on Antrim Avenue, 450 m (1,476 ft.) from a buses on Kingsway, and within 660 metres (2,165 ft.) of the Royal Oak SkyTrain Station. These are within a reasonable walking distance where transit remains a good option for patrons.

In general, the proposed liquor licence amendments are consistent with the pertinent Council-adopted guidelines.

4.5 The LCRB, as part of its assessment process for lounge endorsement applications, requests that local government provide comments on the following:

(a) *The impact of noise on nearby residents*

Given the brewery’s location within a transitional industrial area, as well as its orientation towards the SkyTrain guideway and away from the residential neighbourhood to the south, staff do not anticipate the brewery lounge and patio to have adverse noise impacts during the licenced hours. It should also be noted that the entire serviced area would be subject to the requirements of the *Noise or Sound Abatement Bylaw*, and any sound system on the patio would have to be lowered at 10:00 pm to comply with this Bylaw.

(b) *The impact on the community if the application is approved*

The proposed lounge is expected to result in minimal community impacts, given the lounge and patio’s accessory nature and location on the industrial property, and its distance from residential development. The brewery lounge has been operating successfully in the neighbourhood since 2020 and its temporary patio opened in 2020. It is also noted that sufficient parking is provided, and that the subject site is located within 660 m of the Royal Oak SkyTrain station. For these reasons, the proposed liquor licence amendments are not expected to have a significant impact on the community.

The Planning and Development Department has solicited comments from the RCMP Burnaby Detachment, and they have not expressed any public safety concerns with the subject application. Any additional comments from City Departments will be summarized in a second report to Council following the public input period.

The LCRB also requests that local government gather public input from the community and provide a description of the method used to gather input. It is therefore recommended that staff gather public input from property owners and residents, similar to a Public Hearing notification process. The gathering of public input would include: letters being sent to all property owners and occupants within 30 m of the subject property inviting written comments to be sent to the Planning and Development Department, notification in two consecutive issues of the local newspaper, and the placement of a sign at the site.

To: Chief Administrative Officer
From: General Manager Planning and Development
Re: Liquor Licence Application #22-04
Studio Brewing Liquor Licence Application

2022 November 16Page 7

- 4.6 In summary, the subject application generally meets the Council-adopted guidelines for assessing liquor licence establishments. In addition, given the industrial location, orientation away from residential uses, proximity to the Royal Oak SkyTrain Station, and the expected minimal noise impact and impact on the community, the proposed patio and increased person capacity is considered supportable.
- 4.7 Should the proposed patio, person capacity and operating hours be supported by Council following public consultation, a Section 219 Covenant would be registered in the Land Title Office to ensure that person capacity, operating hours, and other relevant considerations are applied.

5.0 CONCLUSION

Based on the information presented above, staff recommend that Council authorize staff to gather public input on Studio Brewing's proposed liquor licence amendments to increase the person capacity and to permit a permanent patio with revised operating hours. Once this input has been gathered from the public, staff will submit a subsequent report to Council responding to the comments of nearby residents. Staff also recommend that a copy of this report be forwarded to the General Manager, Liquor and Cannabis Regulation Branch, P.O. Box 9292, Stn. Provincial Government, Victoria, BC V8W 9J8; and to Kathryn McKinney, Studio Brewing Corp., 5792 Beresford St., Burnaby, BC, V5J 1J1.



E.W. Kozak, General Manager
PLANNING AND DEVELOPMENT

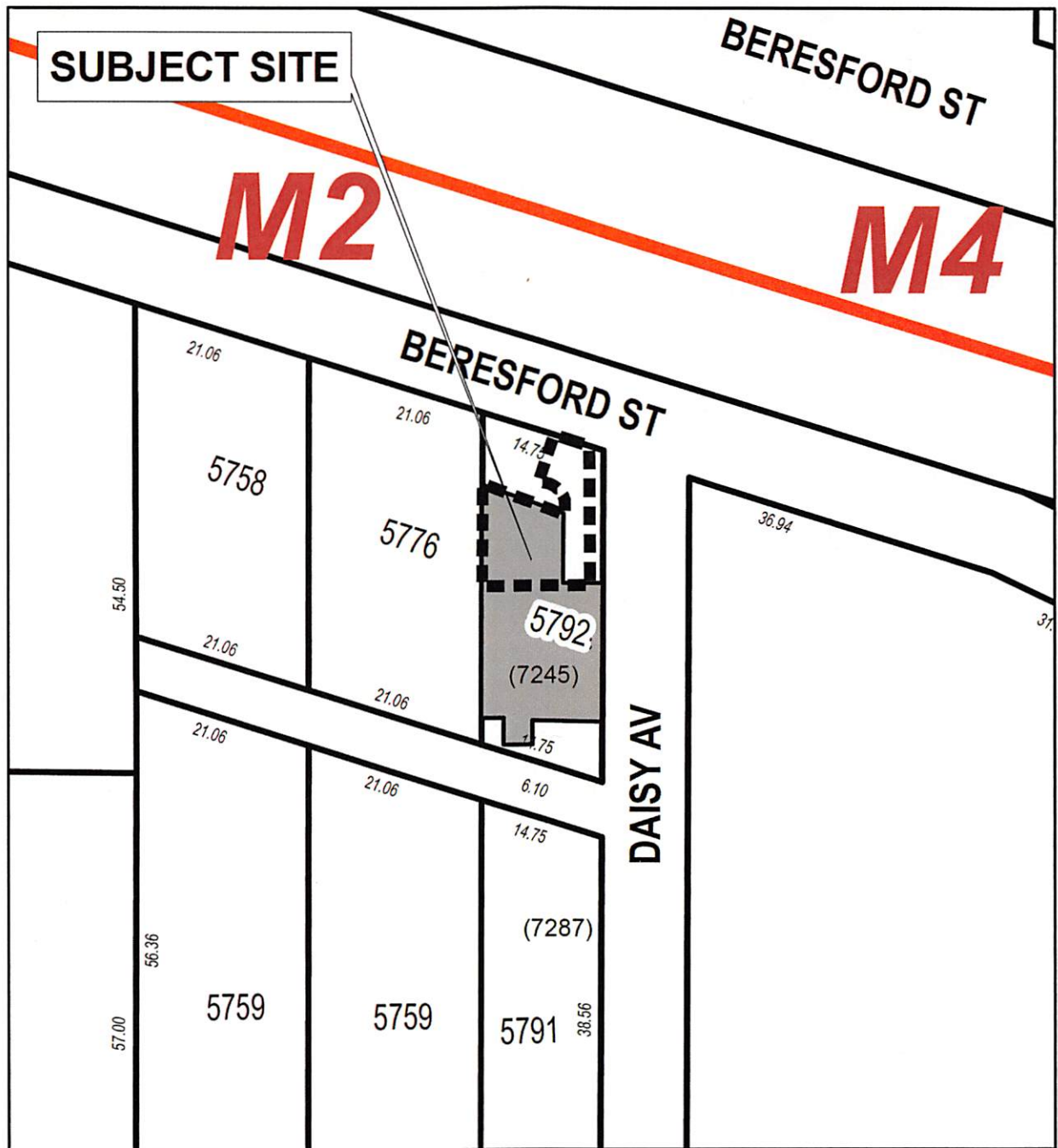
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Attachments

cc:	Deputy CAO and Chief Financial Officer	General Manager Corporate Services
	General Manager Community Safety	Acting General Manager Engineering
	General Manager Parks, Recreation and Cultural Services	O.I.C. RCMP
	Chief Licence Inspector	City Solicitor
	Director Legislative Services	

SUBJECT SITE

M2

M4



PLANNING AND DEVELOPMENT DEPARTMENT

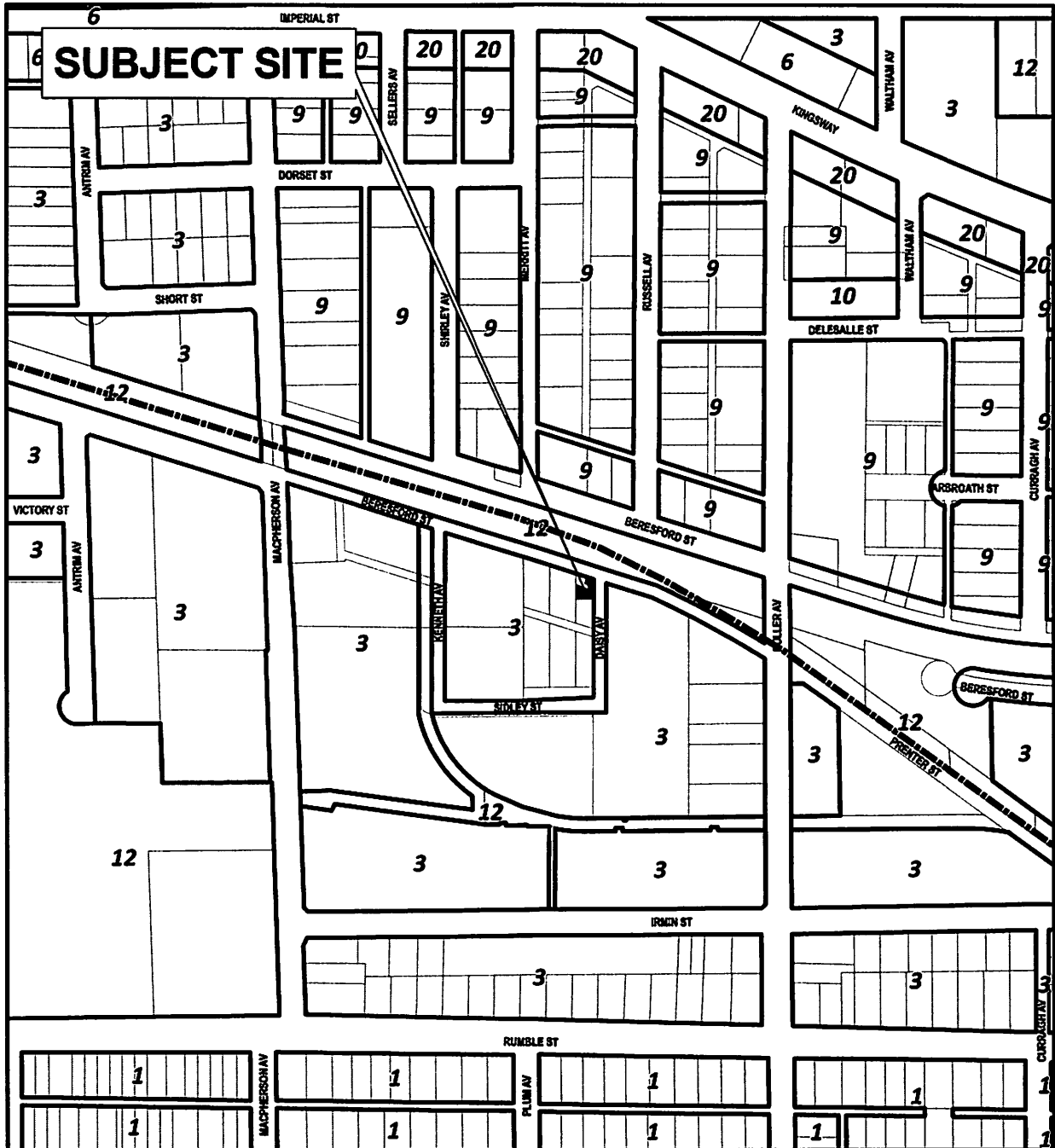
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LIQUOR LICENSE APPLICATION REFERENCE #22-04
5792 BERESFORD STREET

 Subject Site
  Subject Building



Royal Oak Community Plan



PLANNING AND DEVELOPMENT DEPARTMENT

- 1** Single and Two Family Residential
- 3** Medium Density Multiple Family Residential
- 5** Commercial
- 6** Medium Density Mixed Use
- 9** Industrial
- 10** Institutional
- 12** Park and Public Use
- 20** Industrial and Commercial Mixed Use

