

REPORT

Office of the Chief Administrative Officer

To: Mayor Cote and Members of Council **Date:** July 11, 2022

From: Lisa Spitale,
Chief Administrative Officer **File:** 2081399

Item #: 2022-525

Subject: Manufacturer's Patio Application (Steel and Oak) for 1319 Third Avenue

RECOMMENDATION

THAT the following resolution be approved:

WHEREAS New Westminster City Council considered a staff report regarding an application from Steel & Oak Brewing Company Ltd. to operate a 30 seat patio located at 1319 Third Avenue with liquor service hours from 9:00 AM to 11:00 PM Monday through Sundays;

WHEREAS the overall occupancy of the establishment remains at 100 people;

WHEREAS the location is in a light industrial zone (M-1) in the Downtown area;

WHEREAS the establishment is not expected to negatively affect traffic patterns or parking given proximity to transit, and noise is not expected to be an issue;

WHEREAS the establishment has operated a Manufacturer Lounge since January 2016 without any negative impact to the neighbourhood;

WHEREAS if the application is approved, the community impact is expected to be positive in that it will increase the business' contribution to the unique character and vitality of the Downtown based on the establishment's size, hours of operation and location;

WHEREAS the New Westminster Police Department does not oppose the application;

WHEREAS a sign has been placed in front of the business for 27 days, two newspaper notices were published as well as circulated in the City's e-newsletter (Citypage Online), to 1200+ subscribers and providing details regarding the application and inviting the public to submit comments to the City; and,

WHEREAS the City has received one piece of correspondence in support of the application;

THEREFORE BE IT RESOLVED:

THAT New Westminster City Council recommends the approval of the application by Steel & Oak Brewing Company Ltd. to operate a 30 person patio, located at 1319 Third Avenue with liquor service hours from 9:00 AM to 11:00 PM Monday through Sundays.

PURPOSE

This report provides information regarding an application from Steel & Oak Brewing Co. to create a permanent licensed patio along the side of the existing business.

SUMMARY

Steel & Oak Brewing Co., located at 1319 Third Avenue, has applied to the City of New Westminster and the Province's Liquor and Cannabis Regulation Branch (LCRB) to operate and serve liquor in a patio on the portion of Levi Street directly beside the brewery. Approval of this application would make permanent a temporary pandemic-related patio (known as a Temporary Expansion Service Area) that the applicant was approved for and operated since May 2021. The patio would accommodate up to 30 people. There would be no change to the total maximum occupancy of the business which would remain at 100 people, including all interior space and another existing, approved patio located on Third Avenue. The proposed liquor service hours are from 9am-11pm Monday to Sunday, consistent with the business' existing operations.

BACKGROUND

Policy and Regulations

The subject property is designated Industrial (I) in the City's Official Community Plan (OCP), and zoned Light Industrial (M-1). The M-1 zone currently has a site-specific provision for the property, allowing for a lounge endorsement area with a maximum occupant load of 100 persons.

Manufacturers wishing to operate a patio must obtain approval from both the Liquor and Cannabis Regulation Branch and the City.

Liquor and Cannabis Regulation Branch Policy

Manufacturers with a lounge or special event area endorsement who are operating an outdoor patio as a Temporary Expanded Service Area (TESA), can apply for a new outdoor patio to make their TESA permanent. The Branch's process to consider an application can be summarized as follows:

- The operator must submit a Manufacturer's New Outdoor Patio Application;
- The local government provides a resolution to support or oppose the application. The local government has 90 days to provide a resolution unless an extension is requested. Prior to considering a resolution, the local government must conduct a public input process to obtain the views of residents. The resolution must contain comments pertaining to the potential for negative impacts on the community and the views of residents; and
- After the local government provides a resolution regarding the application, the Branch proceeds to make a final decision regarding amending the establishment's liquor license.

City Policy

The City's process to consider a patio application (on public property) from a business with a manufacturer's liquor license is as follows:

- City staff meet with the applicant to discuss bylaw requirements relating to the design and operation of the proposed patio;
- The applicant submits an application, as necessary, to the Street and Sidewalk Patio Program;
- The applicant posts a project sign on site;
- Two notices are placed in the local newspaper as well as through the City's e-newsletter (circulated to approximately 1200 subscribers) inviting the public to comment on the application;
- Council considers a staff report regarding the application and adopts a resolution regarding the application; and
- Staff submits the resolution to LCRB and if the patio is supported by Council, finalizes the Street and Sidewalk Patio Program permissions with the applicant.

Site Characteristics and Context

The subject site is situated in the North Arm North neighbourhood of the city, on Third Avenue between Stewardson Way and Levi Street. The property, with an approximate site area of 4,359 sq. m. (46,918 sq. ft.), contains two multi-tenant buildings. Steel and Oak Brewing Company currently operates within one of the units of the building that fronts along Third Avenue. The business has a previously approved permanent on-street patio in front of the business along Third Avenue, as well as the more recent patio that was installed as part of the City's and Province's response to support expanded seating and service areas for COVID-19 business recovery, and is the subject of this report.

Other properties surrounding the site are similarly zoned Light Industrial (M-1), including other manufacturing/warehouse buildings to the north, automobile-related uses to the

east and west, and an ICBC Claims Centre to the south. The property is also located in fairly close proximity to the railroad tracks, the elevated SkyTrain guideway, and Stewardson Way.

A site context map is provided below (Figure 1):

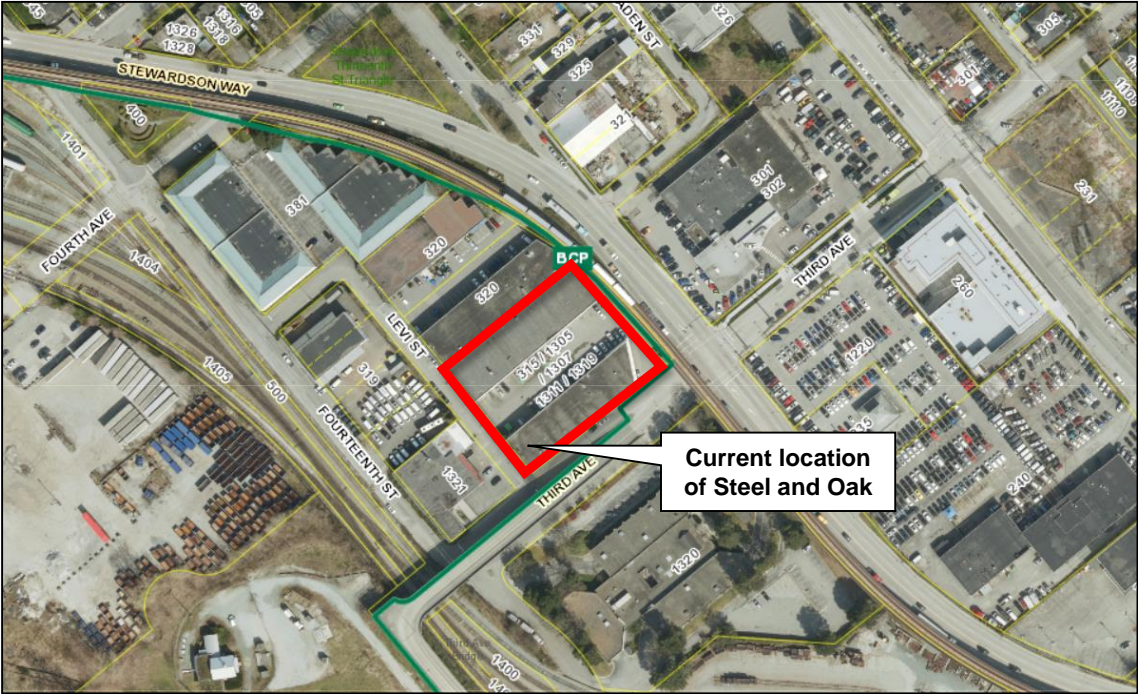


Figure 1. Site Context Map

PROPOSAL

The applicant is proposing to make permanent the pandemic-related patio (known as a Temporary Expanded Service Area) they were approved for and have operated since May 2021. The patio would be located in front of the business on street right of way and could accommodate up to 30 people. There is no change to the total maximum occupancy of the business which remains at 100 people, including all interior space and the previously approved patio located on Third Avenue. The proposed liquor service hours are from 9am-11pm Monday to Sunday, consistent with the businesses existing operations.

As the patio was approved through the City and Province’s Covid-19 related patio program, the patio is already constructed, see **Figure 2**. The patio located on Third Avenue can be seen in **Figure 3**.



Figure 2. Levi Street Patio



Figure 3. Third Avenue Patio

DISCUSSION

As part of the review process, public input was sought from the community as well as comments from New Westminster Police Department, the Provincial Liquor Inspector and other City departments.

Public Comments

The applicant posted a sign in front of the business for 27 days, see **Attachment 1**. Two notices (June 9 and 16, 2022) were placed in the local newspaper as well as

through the City's e-newsletter (1200+ subscribers) advising the public of the application and inviting comments. One piece of correspondence was received in support, from the Downtown Business Improvement Association, see **Attachment 2**.

New Westminster Police Department

New Westminster Police Department advises they do not have issues with Steel and Oak's operations or with this application.

Provincial Liquor Inspector

The Liquor Inspector reports that Steel and Oak has not generated any concerns or violations with respect to Provincial liquor regulations.

City Departments

The impact of noise on the community in the immediate vicinity of the establishment.

Noise is not expected to be an issue, based on the establishment's size, closing hours and location. The location is in an industrial area that is removed from nearby residences, and where some street noise is unlikely to cause disturbance to residents. The City's Integrated Services division reports that Steel and Oak has not generated any community complaints regarding bylaw matters in the past.

Steel and Oak's maximum occupant load inside the premise remains at 100 people. The patio will not increase the overall maximum occupant load but rather allow flexibility to shift to patio space depending on weather and/or customer demand. City regulations regarding patios on public property associated with manufacturer's endorsement areas require businesses to close their patio at 11pm in an industrial area. In this instance, the applicant's hours of operation are in alignment as their existing approved permissions do not extend past 11pm.

The impact on the community if the application is approved

If the application is approved, the impact is expected to be positive in that it will support a local business recovering from the pandemic, support the local food and drink industry and offer an additional social venue for residents, workers and business. The maximum person capacity of 100 with hours of 9:00 am-11:00 pm Monday to Sunday is considered by staff to be acceptable.

Views of residents

As noted above, no correspondence was received on this application. Given the size of and location of the establishment, this was not unexpected by staff.

Patio Design

The patio is located on City property and meets the design guidelines of the Street and Sidewalk Patio Program.

OPTIONS

There are two options Council presented for Council's consideration:

1. THAT the following resolution be approved:

WHEREAS New Westminster City Council considered a staff report regarding an application from Steel & Oak Brewing Company Ltd. to operate a 30 seat patio located at 1319 Third Avenue with liquor service hours from 9:00 AM to 11:00 PM Monday through Sundays;

WHEREAS the overall occupancy of the establishment remains at 100 people;

WHEREAS the location is in a light industrial zone (M-1) in the Downtown area;

WHEREAS the establishment is not expected to negatively affect traffic patterns or parking given proximity to transit, and noise is not expected to be an issue;

WHEREAS the establishment has operated a Manufacturer Lounge since January 2016 without any negative impact to the neighbourhood;

WHEREAS if the application is approved, the community impact is expected to be positive in that it will increase the business' contribution to the unique character and vitality of the Downtown based on the establishment's size, hours of operation and location;

WHEREAS the New Westminster Police Department does not oppose the application;

WHEREAS a sign has been placed in front of the business for 27 days, two newspaper notices were published as well as circulated in the City's e-newsletter (Citypage Online), to 1200+ subscribers and providing details regarding the application and inviting the public to submit comments to the City; and,

WHEREAS the City has received one piece of correspondence in support of the application;

THEREFORE BE IT RESOLVED:

THAT New Westminster City Council recommends the approval of the application by Steel & Oak Brewing Company Ltd. to operate a 30 person patio, located at 1319 Third Avenue with liquor service hours from 9:00 AM to 11:00 PM Monday through Sundays.

2. THAT Council provide staff with alternate direction.

Staff recommend Option 1.

INTERDEPARTMENTAL LIAISON

Staff from Climate Action, Planning and Development were consulted regarding this matter. The Police Service and Liquor Inspector were also consulted.

ATTACHMENTS

Attachment 1: On-site Application Signage

Attachment 2: Letter of Support from Downtown BIA

APPROVALS

This report was prepared by:
Carolyn Armanini

This report was reviewed by:
Blair Fryer

This report was approved by:
Lisa Spitale, Chief Administrative Officer