Agenda – Council – February 24, 2016

Report - Executive Policy Committee – February 17, 2016

Item No. 4 Rezoning – 125 Pacific Avenue
(Point Douglas Ward)
File DAZ 231/2015 [c/r DCU 101491/2016D]

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On February 17, 2016, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development and submitted the following to Council:

1. That the Downtown Winnipeg Zoning By-law No. 100/2004 be amended by rezoning the planned area as shown on Schedule "A" for File DAZ 231/2015 dated January 21, 2016 to a "C" Character Sector.

2. In lieu of the dedication of land, the Developer shall provide cash payment representing 10% of the appraised value of the Development Application, as determined by the City.

3. That in the event the matter is not proceeded with expeditiously and the by-law is not passed within two (2) years after adoption of the report by Council, the matter shall be deemed to be concluded and shall not be proceeded with unless an extension of time is applied for prior to the expiry of the two (2)-year period and Council approves the extension.

4. That the Director of Legal Services and City Solicitor be requested to prepare the necessary by-law in accordance with the above.

5. That the Director of Legal Services and City Solicitor be requested to do all things necessary for implementation in accordance with the terms of The City of Winnipeg Charter.

6. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report - Executive Policy Committee – February 17, 2016

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On February 17, 2016, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On February 16, 2016, the Standing Policy Committee on Property and Development, Heritage and Downtown Development concurred in the recommendation of the Winnipeg Public Service and submitted its recommendation to the Executive Policy Committee and Council.

RE: **Rezoning – 125 Pacific Avenue**
File DAZ 231/2015

For submission to: **Executive Policy Committee**

Prepared by: **Mr. A. Poitras, Senior Committee Clerk**
Standing Policy Committee on Property and Development, Heritage and Downtown Development

Report date: **February 16, 2016**

STANDING COMMITTEE RECOMMENDATION:

On February 16, 2016, the Standing Policy Committee on Property and Development, Heritage and Downtown Development concurred in the recommendation of the Winnipeg Public Service recommended to the Executive Policy Committee:

1. That The Downtown Winnipeg Zoning By-law No. 100/2004 be amended by rezoning the planned area as shown on Schedule "A" for File DAZ 231/2015 dated January 21, 2016 to a "C" Character Sector.

2. In lieu of the dedication of land, the Developer shall provide cash payment representing 10% of the appraised value of the Development Application, as determined by the City.

3. That in the event the matter is not proceeded with expeditiously and the by-law is not passed within two (2) years after adoption of the report by Council, the matter shall be deemed to be concluded and shall not be proceeded with unless an extension of time is applied for prior to the expiry of the two (2)-year period and Council approves the extension.

4. That the Director of Legal Services and City Solicitor be requested to prepare the necessary by-law in accordance with the above.

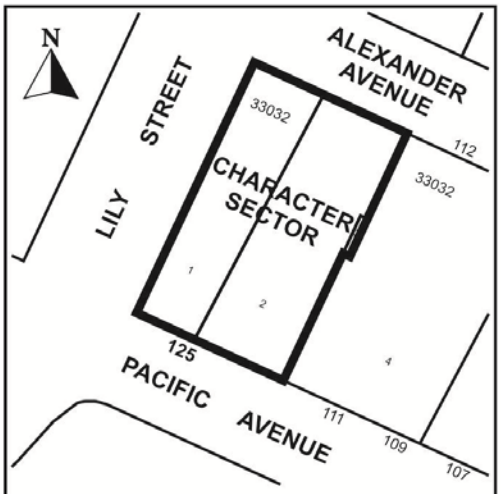
5. That the Director of Legal Services and City Solicitor be requested to do all things necessary for implementation in accordance with the terms of The City of Winnipeg Charter.

6. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

The Standing Policy Committee on Property and Development, Heritage and Downtown Development provided the following supporting reason(s) for its recommendation:

1. This is an appropriate development for the neighbourhood.
2. This is a good project for economic development.
3. Projects like this make Winnipeg even cooler.

PUBLIC HEARING SUMMARY

File:	DAZ 231/2015
Before:	Standing Policy Committee on Property and Development, Heritage and Downtown Development Councillor Orlikow, Chairperson Councillor Allard Councillor Gerbasi Councillor Wyatt
Public Hearing:	February 16, 2016 Council Building, 510 Main Street
Applicant:	PEG Beer Co. Ltd. (Nicole Barry)
Subject:	 **APPLICANT :** PEG BEER CO. LTD. **FILE :** DAZ 231/15 **PROPOSAL :** To rezone the land shown outlined above from the DOWNTOWN LIVING SECTOR to the CHARACTER SECTOR to allow for the establishment of a brewery/distillery/winery use in conjunction with a restaurant use. **For information, phone Mr. K. Kowalke, Planner, at 204-986-5917.**
Premises Affected:	125 Pacific Avenue

Exhibits Filed:

1. Application dated December 22, 2015
2. Notification of Public Hearing dated January 15, 2016
3. Manitoba Status of Titles 2623860/1, 2623867/1
4. Letter of authorization dated December 2, 2016 from Leon A. Brown Ltd. to Peg Beer Co. Ltd.
5. Surveyor's Building Location Certificate and sketch dated October 4, 2012
6. Plans (3 pages)
7. Letter of Support dated December 2, 2015, from Laurel Read, Sport Manitoba Inc.
8. Letter of Support dated December 8, 2015, from Caroline Le Nabat, Children's House Montessori School
9. Report from the Urban Planning Division dated January 28, 2016
10. Inspection Report
11. Communication dated February 1, 2016 from Andrew McLaren in support of the application
12. Communication dated February 2, 2016 from Angela Chambers in support of the application
13. Communication dated February 1, 2016 from Douglas McKeag in support of the application

REPRESENTATIONS:

In Support:

Nicole Barry
Angela Chambers
Aron Epp
Russell Krepart
Caroline Le Nabat, Children's House Montessori School
Douglas McKeag
Andrew McLaren
Kevin Rempel
Laurel Read, Sport Manitoba Inc.
Jeffrey Wiebe

In Opposition:

Nil

For Information:

Nil

For the City:

Mr. J. Kiernan, Director, Planning, Property and Development Department
Mr. B. Smith, Chief Planner, Planning, Property and Development Department

ADMINISTRATIVE REPORT

Title: **DAZ 231/2015 125 Pacific Avenue**

Critical Path: **Standing Policy Committee on Property and Development, Heritage and Downtown Development → Executive Policy Committee → Council**

AUTHORIZATION

Author	Department Head	CFO	CAO/COO
B. Smith	J. Kiernan	N/A	M. Jack COO

RECOMMENDATIONS

1. That The Downtown Winnipeg Zoning By-law No. 100/2004 be amended by rezoning the planned area as shown on Schedule "A" for File DAZ 231/2015 dated January 21, 2016 to a "C" Character Sector.
2. In lieu of the dedication of land, the Developer shall provide cash payment representing 10% of the appraised value of the Development Application, as determined by the City.
3. That in the event the matter is not proceeded with expeditiously and the by-law is not passed within two (2) years after adoption of the report by Council, the matter shall be deemed to be concluded and shall not be proceeded with unless an extension of time is applied for prior to the expiry of the two (2)-year period and Council approves the extension.
4. That the Director of Legal Services and City Solicitor be requested to prepare the necessary by-law in accordance with the above.
5. That the Director of Legal Services and City Solicitor be requested to do all things necessary for implementation in accordance with the terms of The City of Winnipeg Charter.
6. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

Although the proponents already have permits to establish a restaurant and micro-brewery, they wish to expand the brewery component to accommodate wholesale distribution through Manitoba Liquor and Lotteries. This type of operation is categorized as principal use brewery under the Downtown Winnipeg Zoning By-law. The site requires a rezoning and a conditional use for the brewery.

The Standing Policy Committee on Property and Development, Heritage and Downtown Development is the delegated hearing body for zoning applications in Downtown Winnipeg.

EXECUTIVE SUMMARY

The proposed rezoning adjusts the boundary between the Waterfront Drive Downtown Living Sector and the Warehouse Character Sector. Zoning rights are not substantially different between the two sectors,

but the Character Sector does permit a number of additional uses including brewery/distillery/winery. The associated restaurant and brew pub fulfill the expectations of an active street edge and the brewery activities (including loading and deliveries) will occur on the Alexander Avenue side of the property. The Planning, Property and Development Department recommend approval.

IMPLICATIONS OF THE RECOMMENDATIONS

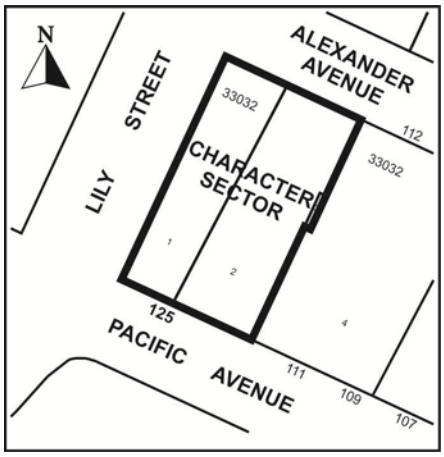
If the recommendation of the Winnipeg Public Service is concurred in, the proponents may expand production and begin wholesale distribution (subject to approval of the associated conditional use application).

FILE/APPLICANT DETAILS

FILE: DAZ 231/2015
RELATED FILES: DCU 16-101491/D
COMMUNITY: Lord Selkirk – West Kildonan
NEIGHBOURHOOD #: 3.173

SUBJECT: To rezone the land from a "D" Downtown Living Sector to a "C" Character Sector.

LOCATION: 125 Pacific Avenue
LEGAL DESCRIPTION: LOT 1/3 PLAN 33032 9/10 ST J



APPLICANT: Nicole Barry
125 Pacific AVE Unit A & B
Winnipeg, Manitoba

OWNER: Leon A. Brown Limited
460 MAIN ST 200
Winnipeg , Manitoba R3B 1B6

DISCUSSION

SITE DESCRIPTION

The subject property includes an existing building with accessory parking on approximately 13,000 square feet in the Civic Centre Neighbourhood of the Downtown in the Point Douglas Ward. It is at the northeast corner of Pacific Avenue and Lily Street.

SURROUNDING LAND USE AND ZONING

North: Industrial zoned "D" Downtown Living.

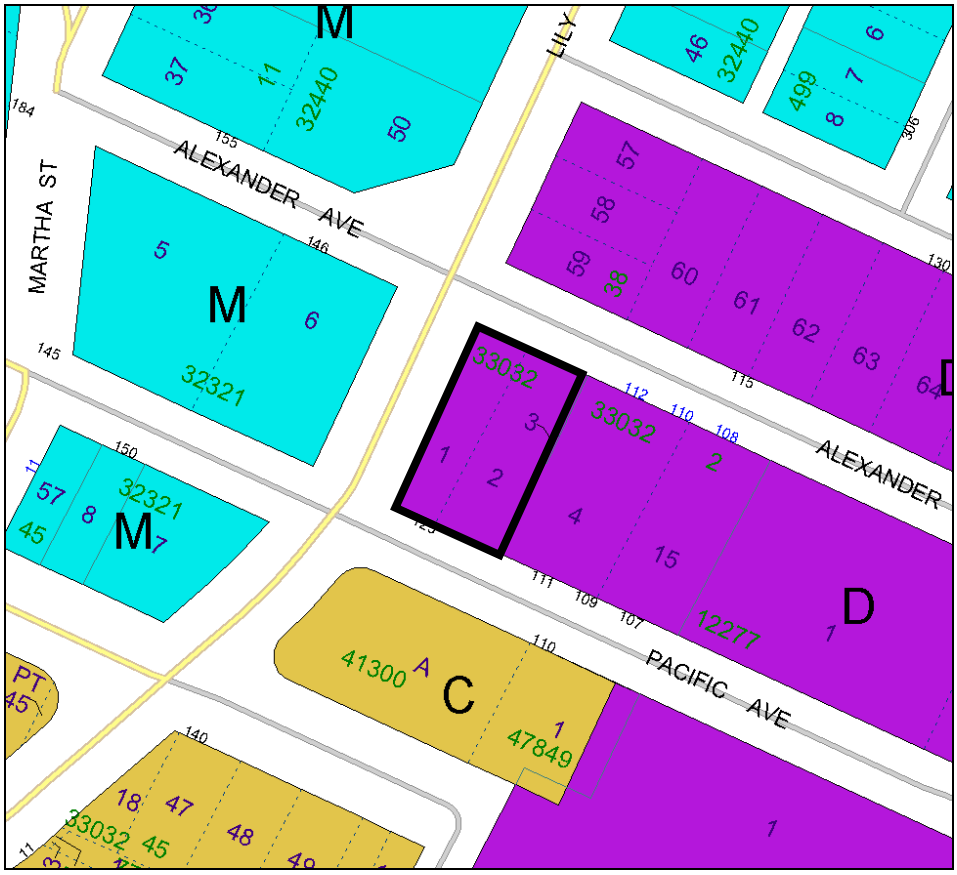
South: Hydro substation zoned "C" Character.

East: Retail / personal service zoned "D" Downtown Living.

West: Sport Manitoba and Children's House Montessori zoned "M" Multiple Use



Air photo of the subject property and surrounding area (2014)



Zoning map of the subject property and surrounding area

PROJECT DESCRIPTION

The applicant proposes to develop a brewery that includes wholesale distribution through Manitoba Liquor and Lotteries. The development reuses an existing building that will not substantially change in appearance. All loading will occur within the existing accessory parking lot.

ANALYSIS AND ISSUES

COMPLETE COMMUNITIES DIRECTION STRATEGY

Under the Complete Communities Direction Strategy the proposed development is within the Downtown policy area, which is identified as a transformative area. Key relevant policies guiding development include subsection 03-1a *Organizing Downtown*:

- Direction 1 - Further define and enhance the identity and character of Downtown's unique districts, destinations and clusters.
    - Formally identify Downtown's unique districts, destinations and clusters, and characterize them as distinct and complementary for the purpose of Downtown growth and development planning.
    - In consultation with local stakeholders, establish development criteria and enabling guidelines that support focused public and investment goals for each district, destination and cluster.

ZONING BY-LAW 100/2004

The proposed Character Sector zoning encourages a compatible, fine-grained mix of uses rather than a separation of uses. The Character Sector allows a wider array of land uses than the Downtown Living Sector. By the same token, it provides a transition to the more permissive and intensive Multiple Use Sector on the west side of Lily Street. This Downtown Living Sector was intended as a residential enclave focused on Waterfront Drive. The subject site is quite removed from Waterfront Drive and separated from the existing residential area.

COMPATIBLITY

The applicant has consulted with adjacent property owners about the proposed development and has secured letters of support from many of them. The condominium board for Sky Waterfront, which is on this same block, raised a question about emissions. The response from the applicant is attached as Schedule 'B'. The Winnipeg Public Service has also consulted with the Liquor and Gaming Authority of Manitoba (LGA). They were not aware of odour ever presenting a problem with similar brewery operations.

Given that this operation will be occurring within an existing building that will not be substantially changing in appearance, the only other potential compatibility issue is loading and trucking activity at the site. Under LGA regulations, this establishment will be limited to maximum production of 2000 hectolitres per year. The applicant anticipates shipping out canned beer once per week via a cube van and beer kegs twice per week via an SUV or utility van. Raw materials will arrive at the site to be unloaded. The applicant anticipates the number of deliveries to be double from what would occur with just the restaurant and micro-brewery (without the wholesaling component). The applicant anticipates the following delivery schedule –

Local Malt	4 pallets/week	Delivered by cube van
Specialty Malt	8 pallets/month	Delivered by cube van
Hops	8 boxes/month	Delivered by UPS
Cans	6 pallets/month	Delivered by cube van

All loading activity will be able to be accommodated on site. Per the associated conditional use report, the recommendation is for the parking area to be improved to current by-law standards, including paving, lighting, fencing and landscaping.



Parking and loading area (Google image)

SUMMARY

The Urban Planning Division believes the proposed rezoning to “C” Character is suitable at this location and recommends that the rezoning be approved, for the following reasons:

- The development makes use of an existing under-utilized building.
- The wholesale distribution component improves the economic viability of the associated brew pub.
- Development rights, including bulk standards, are compatible between the existing and proposed zoning sectors.
- Impacts from the proposed brewery use are not substantial and there is a comprehensive plan in place to manage shipping and receiving.

FINANCIAL IMPACT

Financial Impact Statement Date: January 26, 2016

Project Name:

DAZ 231/2015 125 Pacific Avenue

COMMENTS:

There are no financial implications to the City associated with the recommendations in this report.

"Original Signed By"
Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

N/A

OURWINNIPEG POLICY ALIGNMENT

Complete Communities Section 03-1a

Direction 1: Further define and enhance the identity and character of Downtown's unique districts, destinations and clusters.

- *Formally identify Downtown's unique districts, destinations and clusters, and characterize them as distinct and complementary for the purpose of Downtown growth and development planning.*
- *In consultation with local stakeholders, establish development criteria and enabling guidelines that support focused public and investment goals for each district, destination and cluster.*

SUBMITTED BY

Department: Planning, Property and Development
Division: Urban Planning
Prepared by: Kurtis Kowalke, Senior Planner
Date: January 28, 2016
File Name: O:\Reports Directive\Planning and Land Use\Urban Planning Reports\2015 Reports\DAZ 231 15 125 Pacific.doc

UD 2016-007

List of Schedules and Attachments

1. Schedule 'A': File DAZ 231/2015, January 21, 2016
2. Schedule 'B': Letter from the applicant dated December 10, 2015

By-Law No. _____

File No. **DAZ 231/15**

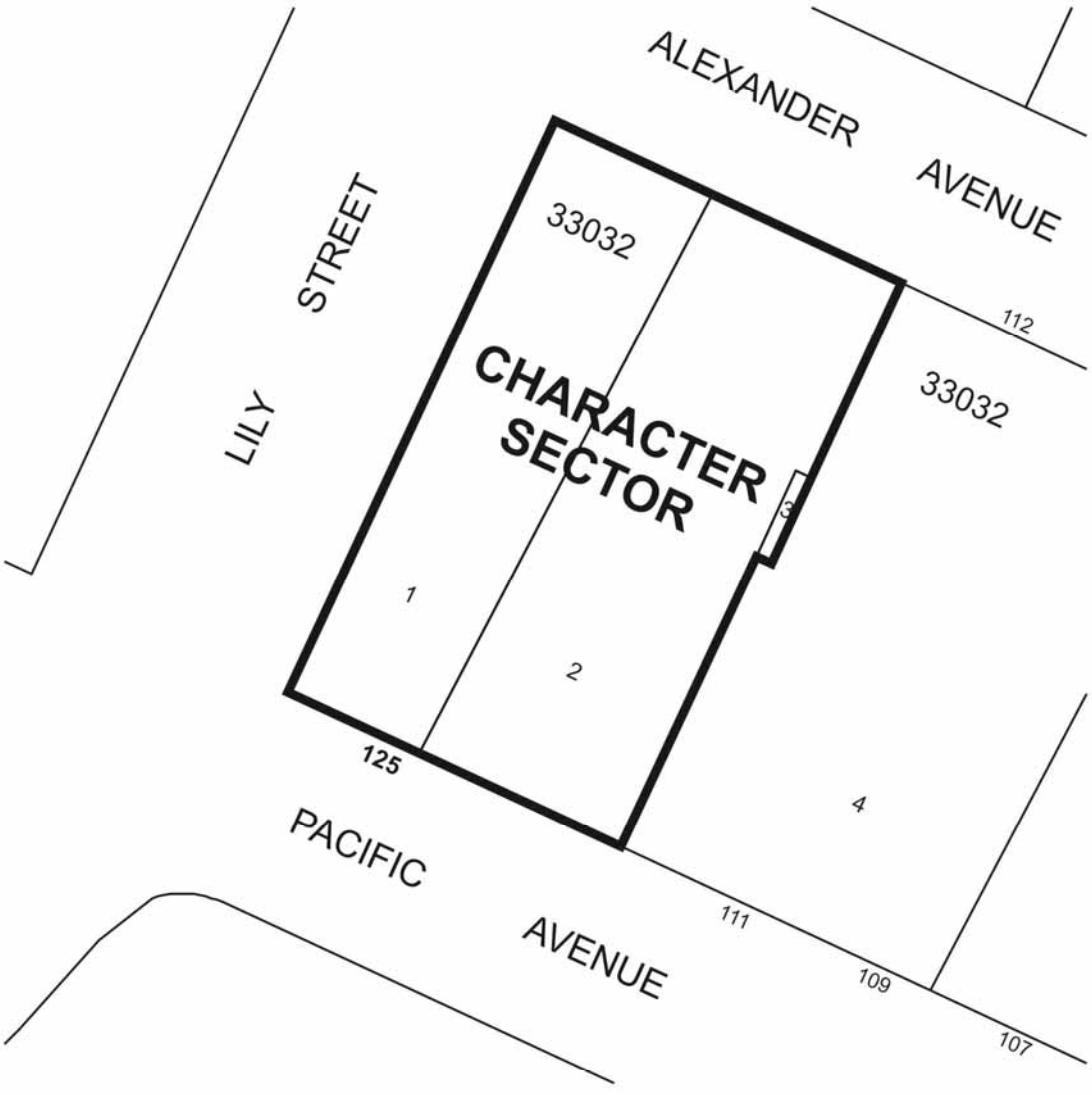
Atlas Sheet No. **Z25**

N

HERITAGE AND DOWNTOWN DEVELOPMENT

Explanation

A proposed zoning change to By-law No. 200/2006 by rezoning the land located at 125 Pacific Avenue from the DOWNTOWN LIVING SECTOR to the CHARACTER SECTOR to allow for the establishment of a brewery/distillery/winery use in conjunction with a restaurant use as shown outlined below.



THIRD READING : _____ EFFECTIVE DATE : _____

ZONING AGREEMENT : YES ☐ NO ☐ CAVEAT No. _____

From: Nicole Barry
Sent: December 10, 2015 5:41 AM

Hi Carla:

Thank you for your reply, on behalf of the Board.

Delivery vehicles will be turned off when not in use – no idling.

Brew pub emissions sources include a 750,000 BTU/hr natural gas fired boiler that will operate intermittently as required to generate heat for the brewing process. This boiler is larger than one might find in a single family dwelling but smaller than one that would typically find installed in an apartment building with steam heat. Exhaust gasses from boiler operation will have the same composition as any natural gas fired appliance such as a home furnace or natural gas range.

Another source of emissions is the exhaust vent of our brew kettle. Once or twice a day for a period of approximately an hour we bring the wort in our brew kettle to a boil. Most of the emissions exiting the rooftop mounted vent stack will be water vapour from the boiling process. There will also be a minor aromatic component from the roasted barley component in the wort. It is a rather pleasant aroma rather like that of cooking oatmeal. Visitors who happened into our previous brewery during the boiling process would more often than not comment on how great it smelled. It is worth noting that this previous brewery has operated in the same location, approximately 250 feet away from suburban residential housing, and for nearly ten years without receiving any complaints from neighbours.

All liquid waste will be handled by the municipal sewer system without issue.

If there are any further questions, please let me know. I am available for discussion or direct communication, if the Board would prefer.

Cheers,

Nicole Barry, CPA, CGA
President & Founder
PEG Beer Co.
125 Pacific Avenue
Winnipeg, MB R3B 0M1