

DATE OF MEETING June 19, 2017

AUTHORED BY DAVE STEWART, ENVIRONMENTAL PLANNER, ENGINEERING AND ENVIRONMENT

SUBJECT LIQUOR LICENCE APPLICATION NO. LA127 – 1890 BOXWOOD ROAD

## **OVERVIEW**

### **Purpose of Report**

To present Council with an application for the existing liquor manufacturing licence for Arbutus Distillery to permit a licensed outdoor patio.

### **Recommendation**

That Council recommend the Liquor Control and Licensing Branch approve an application for a structural change to a liquor manufacturing licence in order to permit a licensed outdoor patio area.

## **BACKGROUND**

The City has received correspondence from Mr. Mike Pizzitelli (Arbutus Distillery). The distillery currently has a manufacturers lounge endorsement, which permits an onsite lounge with a person capacity of 30. The applicant is requesting a local government resolution in support of his application to the provincial Liquor Control and Licensing Branch (LCLB) for a structural change to the manufacturing licence in order to permit liquor service on an existing 27.87m<sup>2</sup> (300ft<sup>2</sup>) covered patio at the distillery building. The permitted hours of service for the lounge are 11am to 11pm seven days a week.

On 2016-JUN-20, Council endorsed an application for a lounge endorsement within the building. As part of the lounge endorsement application, a public hearing was held and comment sheets were delivered to property owners, residents and business owners within 100m of the subject property. No submissions were received at the public hearing and no negative responses were received from the comment sheets. An amendment application is now required for the patio endorsement.

## **DISCUSSION**

As part of the liquor manufacturing licence amendment review process, LCLB asks the local government to comment on potential for noise, impact on the community and views of residents/neighbouring businesses. The local government is also asked to offer comment from a building and fire perspective.

- ***The potential for noise if the application is approved***

The subject property is located within a light industrial park and the lounge is permitted as an ancillary use to the distillery operation. The closest residential property is over 150m from the subject property. The RCMP and applicant note no noise complaints have been received since the lounge began operations in the fall of 2016. The applicant does plan

to continue to provide live acoustic music within the building, but it will not be amplified. Given the subject property location, limited capacity and hours of the lounge, and the applicant's current record of no noise complaints, Staff anticipates that the outdoor patio will not result in any noise concerns.

- ***The impact on the community if the application is approved***

Arbutus Distillery is a small 'craft distillery' and, as such, is required by the LCLB to use entirely raw BC agriculture inputs for the production of its spirits. The distillery is the only such craft distillery in the city of Nanaimo and represents a unique venue for locals and tourists. The patio endorsement application represents an expansion of a successful small business and an opportunity for patrons to enjoy locally produced cocktails in an outdoor setting. The addition of the patio will not increase the overall occupant load of the building. The RCMP note 'it is not anticipated that the proposed application would have any impact on criminal activity, public disorder, noise or police resources'. The applicant's letter of rationale is included as Attachment B and the RCMP referral response is included as Attachment C. A negative community impact is not anticipated.

- ***The views of residents / neighbouring businesses***

A public notice and comment sheet has been mailed and hand delivered to the owners, residents, and business owners of buildings and properties within 100m of the subject property. A total of 34 comment sheets were mailed out and delivered. Of the six responses received, six are in support of the application and none are opposed. Comment sheets returned are included as Attachment D.

### ***Opt Out of Application Process***

With respect to all liquor licence applications, it is worth noting that Council has the option to provide no comment. If Council chooses to opt out of the application process, Staff will inform the LCLB of Council's decision and no further action will be taken by Staff regarding the application. If a local government chooses to opt out, the LCLB will start their own review process, which could considerably delay the application process. As such, Staff recommends that Council does not opt out of the application review process.

### ***Next Steps***

Should Council pass a resolution to support the application for a structural change to an existing licensed distillery, Staff will forward the resolution to the LCLB. The final decision regarding the approval of this liquor manufacturing licence amendment application will be made by the LCLB.

### **SUMMARY POINTS**

- An application was received to permit liquor service within an existing outdoor patio area of the Arbutus Distillery located at 1890 Boxwood Road.
- Comment sheets were mailed and delivered to property owners, businesses and residents within 100m of the subject property. Six responses were received with all six in support of the application.
- It is not anticipated that the proposed application would have any impact on criminal activity, public disorder, noise or police resources.

## **ATTACHMENTS**

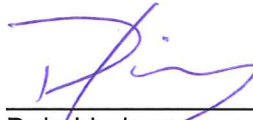
Attachment A: Location Plan  
Attachment B: Applicant's Letter of Rationale  
Attachment C: RCMP Referral Response  
Attachment D: Public Comment Sheets

### **Submitted by:**



Lainya Rowett  
Manager, Current Planning and Subdivision

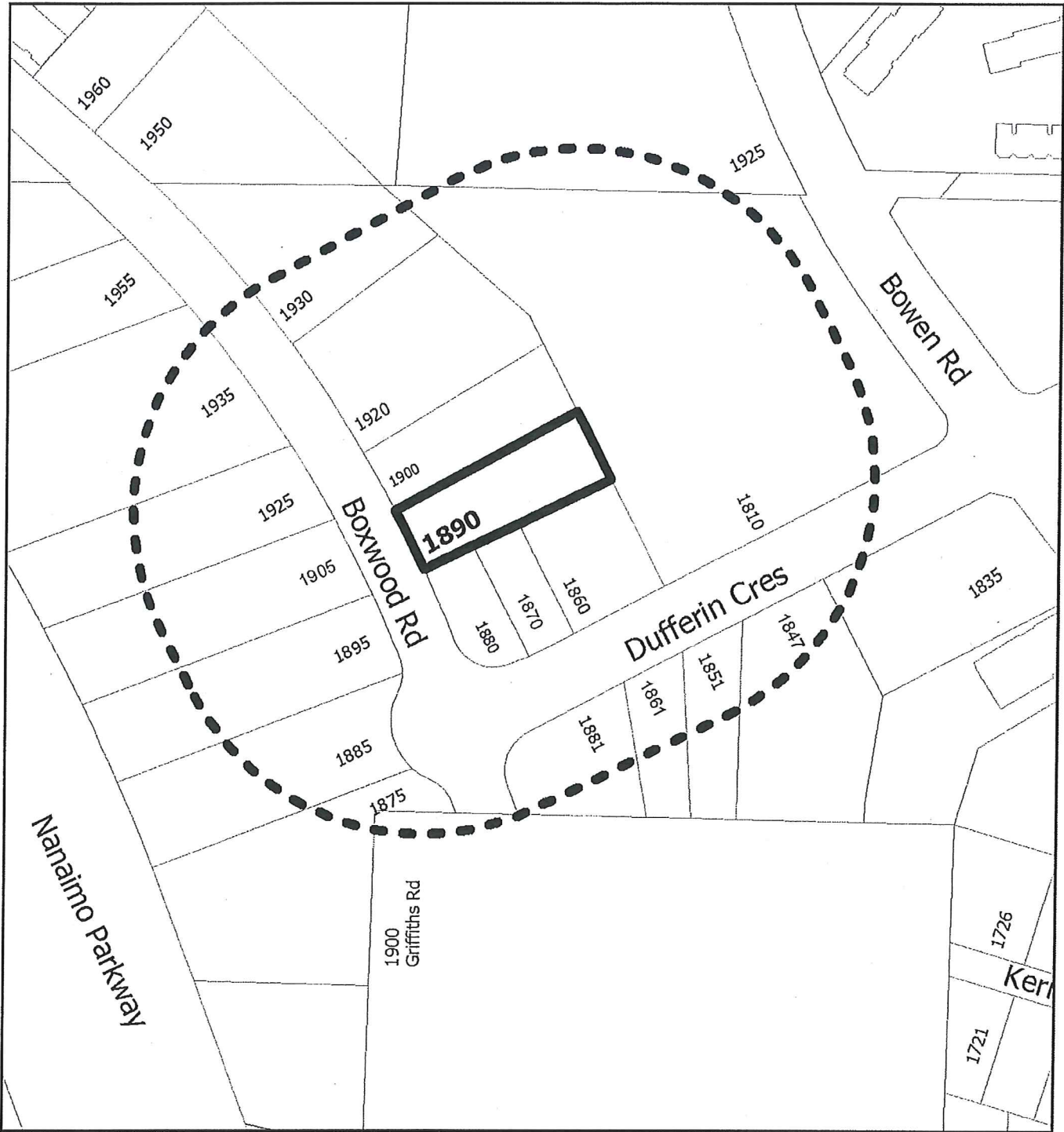
### **Concurrence by:**



Dale Lindsay  
Director, Community Development



ATTACHMENT A  
LOCATION PLAN



LIQUOR LICENCE APPLICATION NO. LA000127

**LOCATION PLAN**

Civic: 1890 Boxwood Road



-  **Subject Property**
-  **Notification Area**

ATTACHMENT B  
APPLICANT'S LETTER OF RATIONALE



Royal Canadian  
Mounted Police

Gendarmerie royale  
du Canada

Security Classification  
/Designation  
Classification/désignation

RCMP Nanaimo  
303 Prideaux Street  
Nanaimo, BC V9R 2N3

Your File - Votre référence

LA127

Our File - Notre référence

City of Nanaimo  
Current Planning & Subdivision  
Attention: Jill Collinson

Date

May 23, 2017

Dear Madam,

**Re: Arbutus Distillery – Application for Liquor Service on a Patio**

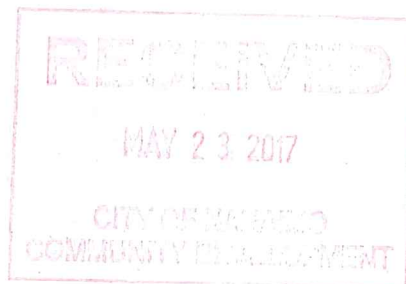
We are in receipt of your memorandum advising that Mr Mike Pizzitelli of Arbutus Distillery intends to make application to the Provincial Liquor Control and Licensing Branch for a structural change to the Manufacturing Licence in order to permit liquor service on a 300 ft<sup>2</sup> patio. He is seeking a local government resolution in support of his application.

The RCMP has had minimal calls for service to the Arbutus Distillery in recent years. As stated in Mr Pizzitelli's letter of rationale, the distillery is situated in a business area, and any incidental noise which may arise from a patio endorsement to their liquor license would not be expected to adversely impact the neighbourhood. It is not anticipated that the proposed application would have any impact on criminal activity, public disorder, noise, or police resources.

Thank you for the opportunity to provide comment to this application. If you require further information, please contact Corporal David LaBerge of the Nanaimo Detachment Bike Patrol Unit.

Yours truly,

(Lisa Fletcher, Inspector) - for  
Cameron W. Miller, Superintendent  
Officer in Charge  
Nanaimo RCMP Detachment









### **Nature of Proposed Patio.**

The intent of Arbutus Distillery's proposed patio is to enhance the nature of our current tasting lounge, where customers will be permitted to enjoy their drinks outside during warmer weather. The patio area is covered from rain, faces west and gets good sun exposure during late afternoon/ early evening (when the lounge typically opens). It is also already properly enclosed with metal gating. With the addition of proper furniture and décor we feel this will be an ideal area for it's intended use. There would be no new construction or alteration the building as the patio space is already a feature of the building. (see photos)



### **Patron Capacity and Hours of Liquor Service.**

Our current occupant load is 30 persons with the lounge operating from primarily from 11am-11pm Thursday through Saturday (although our current license allows us to be open everyday 11am -11pm). The occupant load for the proposed patio addition would not increase our total capacity above 30 persons and is to be determined by the City of Nanaimo.

### **Intended Demographic**

Our intended demographic includes Nanaimo locals with interest in the culinary arts as well as tourists.

### **Responsible Service & Mitigation of Negative Effects**

Under its current licenses Arbutus Distillery already implements the Liquor Board's requirements for the responsible service of alcoholic beverages. All our staff have undergone the required 'Serving it Right' certifications, not only for our own tasting room/lounge but as we routinely participate in several festivals and events throughout the province on a regular basis. We currently implement various policies to ensure responsible consumption such as providing non-alcoholic beverage options and encouragement of designated drivers and promoting various local services such as 'Get-a-go-go'.

### **Impact of Noise on the Surrounding Community**

Given the small size, nature and location of the Arbutus Distillery lounge we do not generate excessive noise. We have a low occupant load as well as any live music is acoustic in nature without amplification. Adjacent neighbours to our property are businesses that generally close around 5pm before peak hours expected from the lounge. Since our addition of the lounge itself we have had zero complaints and we feel the addition of a patio would not change this. In fact, many of our patrons work and/or live nearby and have frequently requested we license our patio space for the summer months.

### **Benefits to the Community**

There are currently no licensed establishments, beyond a food-primary setting, in the immediate area as it has been a relatively new developed region of the city. In addition to providing a safe and close setting for nearby residing patrons, the unique aspect of the service we provide in the form of a small lounge that focuses on high end cocktails does not exist anywhere else in Nanaimo presently. A patio extension would further our efforts in this regard.



ATTACHMENT D  
PUBLIC COMMENT SHEETS

Against:

None received

For:

If you have any questions, please contact Dave Stewart at 250-755-7582



I SUPPORT THE APPLICATION.



I DO NOT SUPPORT THE APPLICATION.

Comments: WE DO NOT HAVE ANY SIGHT LINES TO THE PATIO  
AREA THEREFORE IT WOULD ONLY HAVE A POSITIVE  
IMPACT TO OUR BUSINESS.

Name: JOHN HESSELS OWNER Resident Street Address: 2035 CINNABAR DRIVE  
Name of Business: L&A LTD. Business Address: 1900 BOXWOOD (FUTURE OFFICE)



I SUPPORT THE APPLICATION.



I DO NOT SUPPORT THE APPLICATION.

Comments: I SUPPORT THE UNDERTAKING AND EXPANSION OF  
LOCAL BUSINESSES - ESPECIALLY "ONE-OFFS" THAT ARE  
DIVERSIFYING THE LOCAL EXPERTISE AND EMPLOYMENT  
TYPES.

Name: S. KRAFTA Resident Street Address:  
Name of Business: TD CANADA TRUST Business Address: 1810 DUFFERIN CRES

If you have any questions, please contact Dave Stewart at 250-755-7582

- ☒ I SUPPORT THE APPLICATION.  
☐ I DO NOT SUPPORT THE APPLICATION.

Comments: it would be great !!

Name: Allison Finney Resident Street Address: \_\_\_\_\_  
Name of Business: McGregor + Thompson Business Address: 1920 Boxwood Road  
Hardware Ltd.

If you have any questions, please contact Dave Stewart at 250-755-7582

- ☒ I SUPPORT THE APPLICATION.  
☐ I DO NOT SUPPORT THE APPLICATION.

Comments: \_\_\_\_\_

Name: Drew Smith Resident Street Address: 3676 Monterey Dr  
Name of Business: McGregor + Thompson Business Address: 1920 Boxwood Rd

- ☒ I SUPPORT THE APPLICATION.  
☐ I DO NOT SUPPORT THE APPLICATION.

Comments: Great News, goes for same business.

Name: Samuel McCarty Resident Street Address: 1935 Boxwood  
Name of Business: Two Supply Business Address: " "



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☐

I SUPPORT THE APPLICATION.  
I DO NOT SUPPORT THE APPLICATION.

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Name: Tyler Lange Resident Street Address: 4952 Ney Drive VAV 179  
Name of Business: Country Grocer-Bowen Business Address: 1820 Dufferin Cres VAS 049