

City of Surrey
PLANNING & DEVELOPMENT REPORT

Application No.: 7919-0151-00

Planning Report Date: May 25, 2020

PROPOSAL:

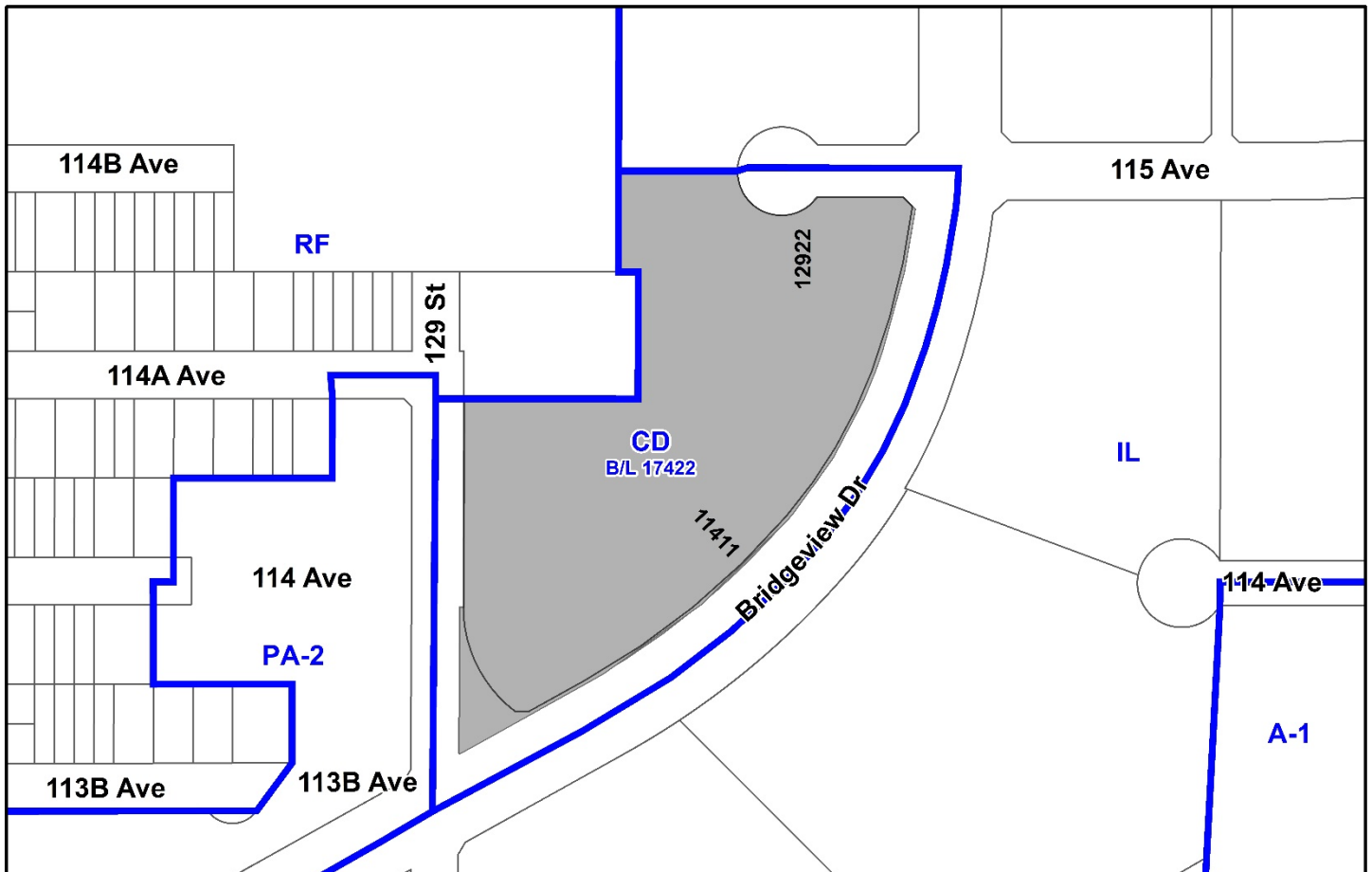
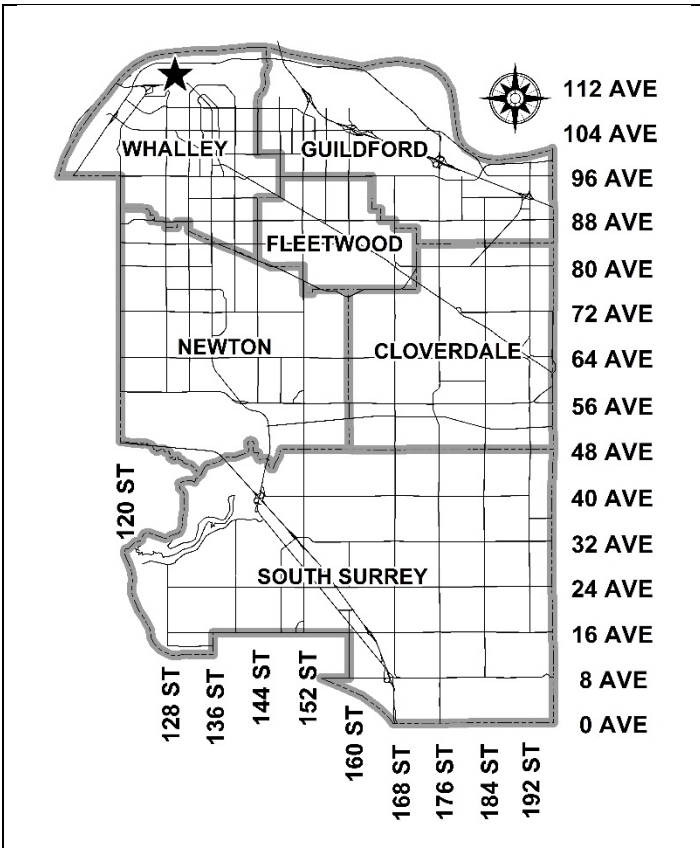
- Amend CD By-law No. 17422
- To permit the manufacturing of non-alcohol infused cannaboid beverages at an existing brewery/distillery.

LOCATION: 11411 - Bridgerview Drive

ZONING: CD By-law No. 17422

OCP DESIGNATION: Industrial

LAP DESIGNATION: Industrial



RECOMMENDATION SUMMARY

- By-law Introduction and set date for Public Hearing for Amending CD By-law No. 17422

DEVIATION FROM PLANS, POLICIES OR REGULATIONS

- The sale, growing, testing, and manufacturing of cannabis and cannabinoid products are currently limited to the Community Commercial C-8B Zone (C-8B).

RATIONALE OF RECOMMENDATION

- Complies with Industrial Official Community Plan (OCP) Designation.
- Complies with the Metro Vancouver Regional Growth Strategy Designation of Industrial.
- The recent amendments to Health Canada's Cannabis Act permits the production, distribution, sale and possession of cannabis-infused products for medical and recreational uses. The applicant has submitted documentation to Health Canada in anticipation of receiving support to add this product into their current production lines.
- The sale of edible cannabis products is limited to Health Canada licensed stores. The retail sale and the sampling of the cannabis products proposed to be manufactured by Central City Brewery and Distillery is not permitted under Federal statute. The CD By-law Amendment has been crafted to allow only for the production of the product, and not the retail sales or sampling of the product on site.
- The additional product line will assist in keeping Central City Brewers & Distillers current with new market trends and support the continued growth of their business.

RECOMMENDATION

The Planning & Development Department recommends that:

1. A By-law be introduced to amend Comprehensive Development By-law No. 17422 and a date be set for Public Hearing.
2. Council instruct staff to resolve the following issues prior to final adoption:
 - (a) ensure that all engineering requirements and issues including restrictive covenants, dedications, and rights-of-way where necessary, are addressed to the satisfaction of the General Manager, Engineering; and
 - (b) final approval from the Ministry of Transportation & Infrastructure.

SITE CONTEXT & BACKGROUND

Direction	Existing Use	OCP/NCP Designation	Existing Zone
Subject Site: Existing brewery, distillery and licensee retail store			
North (Across 115 Avenue):	Multi-tenant industrial buildings	Industrial/	IL
East (Across Bridgeview Drive):	Overland Freight distribution and vacant land	Industrial	IL
South (Across Bridgeview Drive):	Vacant preloaded industrial land	Industrial	IL
West (Across 129A Street):	Single family residential and preloaded future church site	Urban	RF and PA-2

Context & Background

- The subject site is the location of Central City Brewers and Distillers, which was constructed in 2013. The Comprehensive Development Zone (CD) (By-law No. 17422) and the associated Development Permit No. 7911-0022-00 to permit construction of the brewery/distillery were approved on April 23, 2012.
- CD By-law No. 17422 is based on the "Light Impact Industrial Zone (IL)" with some additional permitted uses including retail sales of products manufactured on site, limited to a maximum floor area of 185 square metres (2,000 sq. ft.) and only permitted as an accessory use to the brewery and distillery. Development Variance Permit No. 7911-0022-01 was issued on July 9, 2012 to relax the number of required off-street parking spaces for the brewery from 59 spaces to 37 spaces, however 50 spaces were constructed on the site.

- On December 15, 2014, the CD Zone was amended (By-law No. 18337) to permit on-site consumption of alcoholic products manufactured on the premises, within a licensed lounge and special event area. The amended By-law also stipulated that no additional on-site parking was required for the lounge and special event areas.
- In November 2017, the CD By-law No. 17422 was amended to allow for a private liquor store (licensee retail store) and Development Permit No. 7916-0668-00 was issued to permit the expansion of the brewery/distillery.
- In December 2012, The Federal Minister of Health announced proposed changes to the Medical Marijuana Access Regulations which eliminated licenses for personal marijuana growing operations and to establish a licensing process for commercial growing operations from which persons needing marijuana for medical reasons can acquire marijuana. City Council requested that staff prepare the necessary Zoning By-law amendment to ensure that the growing of medical marijuana is restricted to the Community Commercial B Zone (C-8B). This zoning amendment ensured that any person wishing to commercially grow marijuana would be required to rezone the property and allow Council an opportunity to review the proposal.
- The C-8B Zone only applies to one City-owned lot located at 13535 King George Boulevard.
- The Federal Government introduced legislation in 2018 to legalize non-medical cannabis and recreational cannabis. This legislation established regulations and restrictions on the production, distribution, sale and use of recreational cannabis.
- Council considered Corporate Report 2018 R049 which proposed amendments to Surrey Zoning By-law which defined Cannabis, Cannabis Dispensary and Cannabis Production Facility and restricted these uses to the C-8B Zone. These amendments provided the maximum level of control on all aspects concerning cannabis with respect to the Federal changes in law. The By-law amendments ensured that any facility which grew, processed, and sold cannabis products would require a further rezoning and provide an opportunity for Council to review public input on the merits of any proposal.

DEVELOPMENT PROPOSAL

Planning Considerations

- Central City Brewers and Distillers (CCBD) has requested an amendment of CD By-law No. 17422, which regulates their property at 11411 Bridgeview Drive, to allow for an additional manufacturing line to produce Federally approved non-alcoholic cannabis infused beverages. The production of this product is now permitted with the recent change in the Federal law regarding the sale of edibles containing cannabis and cannabis concentrates for adult consumption.
- CCBD will continue to manufacture their existing alcohol based products and add to its production facility the infrastructure to manufacture and distribute cannabis infused dealcoholized beer and ready to drink beverages.

- It is noted that there is a concurrent application (Application No. 7919-0150-00) involving the neighbouring property at 12933 – 114A Avenue, which is currently being processed by Planning staff. That application proposes rezoning of the property at 12933 – 114A Avenue, which is currently City-owned, such that it can be consolidated with the brewery/distillery site, to accommodate construction of additional surface parking. This application will be brought forward for Council’s consideration in due course.
- As noted above, Council considered Corporate Report 2018 R049 which proposed amendments to Surrey Zoning By-law which defined Cannabis, Cannabis Dispensary and Cannabis Production Facility-and restricted these uses to the C-8B zone. These amendments provided the maximum level of control on all aspects concerning cannabis with respect to the Federal changes in law. The By-law amendments ensured that any facility which grew, processed and sold cannabis products would require a further rezoning and provide an opportunity for Council to review public input on the merits of any proposal.
- The sale of edible cannabis products is limited to Health Canada licensed stores. The retail sale and the sampling of the cannabis products proposed to be manufactured by Central City Brewery and Distillery is not permitted under Federal statute. The CD By-law has been crafted to allow only for the production of the product, and not the retail sales or sampling of the product on site.
- CCBD has been successful in establishing their beverage brands in Canada and the United States. They currently have 250 employees at their facility and welcome this additional boutique product line within the regulations from Health Canada. All aspects of the security, product procurement, manufacturing and distribution of cannabis infused non-alcoholic beverages are regulated under Health Canada.
- The RCMP, Fire Department and School Board have reviewed the proposal and have expressed no concerns.

Referrals

Engineering:	The Engineering Department has no objection to the project.
School District:	The property is in proximity to Bridgeview elementary School. The School Board was advised of this proposal and expressed no concerns
Ministry of Transportation & Infrastructure (MOTI):	Final approval from MOTI is required prior to Final Adoption of the proposed Rezoning By-law.
Surrey RCMP:	No concerns with the proposal
Surrey Fire Department:	No concerns with the proposal.

POLICY & BY-LAW CONSIDERATIONS

Regional Growth Strategy

- The RGS designates this property as Industrial. The existing operation manufactures a variety of alcohol beverage-based products, and recently the manufacturing of hand sanitizer. The proposed rezoning will allow for an additional product line for the business operation.

Themes/Policies

E1.5 Encourage the full utilization and efficient use of industrial and other employment lands in order to maximize jobs and economic activity per hectare.

(Central City Brewing and Distillery currently has over 250 employees. The introduction of a new product line will enhance the viability of this business.)

E1.7 Develop flexible zoning regulations and by-laws to support more intensive uses of existing employment lands.

(Health Canada's legalization of cannaboid infused products has created a niche market which is not accommodated within Surrey Zoning by-law No. 12000. The amendment of the CD By-law No. 17422 would allow the manufacturing of a new product in accordance with Health Canada's regulations.)

Secondary Plans

Land Use Designation

- The proposal complies with the "Industrial" designation of the Bridgeview Local Area Plan.

PUBLIC ENGAGEMENT

- Pre-notification letters were sent on October 23, 2019 and the development proposal sign was installed and Staff did not receive any responses from neighbouring properties:

INFORMATION ATTACHED TO THIS REPORT

The following information is attached to this Report:

Appendix I. Site Plan, Building
Appendix II. Proposed CD By-law Amendment

approved by Ron Gill

Jean Lamontagne
General Manager
Planning and Development

LAP/cm

CITY OF SURREY

BYLAW NO. 20101

A bylaw to amend " Surrey Zoning By-law, 1993, No. 12000,
Amendment By-law, 2011, No. 17422" as amended.
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The Council of the City of Surrey ENACTS AS FOLLOWS:

1. Surrey Zoning By-law, 1993, No. 12000, Amendment By-law, 2011, No. 17422, as amended, is hereby further amended as follows:
 - a. Part 2, Section B. Permitted Uses is amended by inserting new sub-section 7 immediately following sub-section 6 as follows:

"7. The manufacturing and wholesale of cannabis infused non-alcoholic beverages in accordance with the Cannabis Act S.C. 2018, c. 16."
 - b. Renumber "7. Accessory Uses" to "8. Accessory Uses"

2. This Bylaw shall be cited for all purposes as "Surrey Zoning Bylaw, 1993, No. 12000, Amendment Bylaw, 2011, No. 17422, Amendment Bylaw, 2014, No. 18337, Amendment Bylaw, 2017, No. 19327, Amendment Bylaw, 2020, No. 20101"

PASSED FIRST READING on the day of , 2020.

PASSED SECOND READING on the day of , 2020.

PUBLIC HEARING HELD thereon on the day of , 2020 .

PASSED THIRD READING on the day of , 2020.

RECEIVED APPROVAL FROM THE MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE
on the th day of , 20 .

RECONSIDERED AND FINALLY ADOPTED, signed by the Mayor and Clerk, and sealed with the
Corporate Seal on the day of , 20 .

_____MAYOR

_____CLERK