



# COUNCIL REPORT

Council Report No. PDS 020-2025  
Date: February 25, 2025  
File No. 3100-05/PRJ23-145

To: Mayor and Council  
From: Bronwen Verigan, Planner  
Subject: Liquor and Cannabis Regulation Branch Licence Endorsement application (1356 Sumas Way)

## RECOMMENDATION

1. That the lounge endorsement application for a Manufacturer Licence application PRJ23-145, for the property located at 1356 Sumas Way, proceed for public comment at an upcoming Council Hearing;
2. That the special event area endorsement application PRJ23-145, for the property located at 1356 Sumas Way, proceed for public comment at an upcoming Council Hearing; and
3. That the Council report, minutes of the Council Hearing and any written comments received, be provided to the Liquor and Cannabis Regulation Branch, in accordance with the *Liquor Control and Licencing Act*.

REPORT CONCURRENCE	
<p><b>GENERAL MANAGER</b></p> <p>The General Manager concurs with the recommendation of this report.</p>	<p><b>CITY MANAGER</b></p> <p>The City Manager concurs with the recommendation of this report.</p>

## PURPOSE

To forward comment to the LCRB regarding a lounge and special event area endorsement application for a proposed brewery (Farmhouse Brewery) at 1356 Sumas Way.

## SUMMARY OF THE ISSUE

Farmhouse Brewing applied with the Liquor and Cannabis Regulation Branch (LCRB) for a new Manufacturer Licence at 1356 Sumas Way (the property) with the following endorsements:

- 240-person outdoor special events area (175 m<sup>2</sup>)
- 240-person picnic area (1,000 m<sup>2</sup>)
- 85-person outdoor lounge (125 m<sup>2</sup>)
- 85-person indoor lounge (125 m<sup>2</sup>)

Special event area (SEA) and lounge area endorsements are subject to local government input. The LCRB does not refer or require input from local governments for new Manufacturer Licence applications or picnic area endorsements.

When considering this application, the LCRB requests Council to comment on the following:

- The location of the establishment;
- The person capacity and hours of liquor service of the establishment;
- The impact of noise on nearby residents; and
- The impact on the community if the application is approved.

## BACKGROUND

Applicant:	Thrive Liquor & Cannabis Advisors (Contact: Rebecca Hardin)
Owner:	Bakerview Ecofarm Ltd., Inc. No. BC1281654 (Directors: Helinda Vanderkooi, William Vanderkooi)  For Director's information see Corporate Summary (Attachment A)
Operator:	Farmhouse Brewing Co. (Abbotsford) Ltd. (Owners: Colleen and Dan Neels)
OCP Designation:	Agriculture 2 - Lowlands
Existing Zoning:	Agricultural Two Zone (A2)
Site Area:	17.62 ha (43.54 ac)
Legal Description:	Lot A Section 11 Township 16 and District Lot 355 Group 2 New Westminster District Plan BCP41412
Current Uses:	The subject property contains a residential use, agricultural uses, and several accessory agricultural uses including agri-tourism, farm retail sales, farm product storage, and farm office.
Surrounding Uses:	N: South Parallel Road with Highway No 1 beyond; S: Automobile Storage (zoned: A2); E: Agricultural uses (zoned: A2) with Angus Campbell Road beyond; and W: Sumas Way with Regional Commercial Uses (zoned: CRZ, N10, and I2) beyond.
Soil Capability:	Peat (2)

## DISCUSSION

### Site Context

1. The property is located to the south of highway 1 and east off of Sumas Way, is within the

ALR, and is bisected to the north by Marshall Creek with Potter Ditch running along the eastern property line. The 17.62 ha (43.54 acres) parcel contains a single detached residence, several Agri-industrial businesses (including Bakerview Ecodairy, Nutriva Group, Vitala Foods, and Nutritech Solutions), an Agri-tourism business, and a direct farm market. Building permits have been submitted for the brewery building and are being reviewed by the City.

## **Policy Overview**

### Official Community Plan

2. The property is designated Agriculture 2 - Lowlands in the 2016 OCP which supports large lots with rural character and active agricultural activity. The Agriculture 2 – Lowlands land use designation is identified as employment lands and allows, in unique and limited circumstances, the consideration of uses that support and enhance the agricultural industry.
3. Policy 6.4 supports value added opportunities in suitable locations that connect consumers with Abbotsford farms and agricultural products including a brewery.

## **ALR Use and Zoning Bylaw Regulations**

### Farm Alcohol Production Facility Use

4. The property is zoned Agricultural Two Zone (A2), which is intended to accommodate agriculture and agricultural related uses. A farm alcohol production facility is a permitted accessory use to an agricultural use, subject to ALR Use Regulations.
5. The ALR Use Regulation recognizes an “alcohol production facility” as a farm use (subject to conditions) that may not be prohibited by local governments. An alcohol production facility includes a brewery that is licensed under the Liquor Control and Licensing Act.
6. A brewery is considered a farm use in the ALR Use Regulation provided:
  - the agricultural land on which the alcohol production facility is located is more than 2 ha in area; and,
  - at least 50% of the primary farm product used to make the alcohol product produced each year is either harvested from that agricultural land, or both harvested from that agricultural land and received from a farm operation located in British Columbia that provides the primary farm product to the alcohol production facility under a contract having a term of at least 3 years.
7. Through an ALC Notice of Intent application process for the proposed fill activities to construct the brewery, the ALC has determined that at least 50% of the primary farm product used to make the alcohol product would be harvested from the property, therefore confirming the brewery is consistent with the ALR Use Regulation.

### Farm Alcohol Production Facility Ancillary Uses

8. The ALR Use Regulation allows ancillary uses to be conducted at an alcohol production facility, including:

- a) processing, storing and retail sales of an alcohol product produced by the alcohol production facility;
  - b) operating a food and beverage service lounge, if the area of the lounge does not exceed 125 m<sup>2</sup> indoors and 125 m<sup>2</sup> outdoors;
  - c) selling an alcoholic beverage other than one produced by the alcohol production facility, if the alcoholic beverage is intended to be consumed immediately and is sold
    - i. as a single serving in a lounge referred to in paragraph (b), or
    - ii. in a service area under a special event area endorsement endorsed on the licence issued under the Liquor Control and Licensing Act for the alcohol production facility;
9. Abbotsford’s Zoning Bylaw limits “farm alcohol production facility floor area” (FAPF floor area) to 2,500 m<sup>2</sup> on lots 5.0 ha or larger (ZB210.9.4.b). Farmhouse Brewing’s proposed FAPF floor area is 1,234 m<sup>2</sup>.
10. Abbotsford’s Zoning Bylaw further limits farm alcohol production facility ancillary uses listed in Table 1 to not occupy more than 49% of the farm alcohol production facility floor area and sets size maximums for ancillary uses, excluding washroom facilities (ZB210.9.4.c.d.).
11. Based on Farmhouse Brewing proposed 1,234 m<sup>2</sup> FAPF floor area, a maximum of 604.66 m<sup>2</sup> (1,234 m<sup>2</sup> x 49%) may be occupied by ancillary uses.
12. Table 1 shows a comparison of the maximum FAPF floor area for ancillary uses and proposed ancillary use by Farmhouse Brewing. The proposed FAPF floor area complies with existing regulations.

<b>Table 1. Maximum Farm Alcohol Production Facility Floor Areas for Ancillary Uses</b>		
<b>Ancillary Use</b>	<b>Maximum Area</b>	<b>Proposed Ancillary Use</b>
Indoor or outdoor areas for alcohol product sampling or retail sales (i.)	125 m <sup>2</sup> cumulative total	58 m <sup>2</sup>
Indoor food and beverage service lounge, including areas use to conduct cooking classes (ii.)	125 m <sup>2</sup> cumulative total	125 m <sup>2</sup>
Outdoor food and beverage service lounge (iii.)	125 m <sup>2</sup> cumulative total	125 m <sup>2</sup>
Food preparation and storage areas supporting food and beverage service lounges	An additional area equal to 20% of the area provided under (ii) and (iii); Max: 50 m <sup>2</sup>	50 m <sup>2</sup>
Areas under a special event area endorsement issued under the <i>Liquor Control and Licensing Act</i>	This use is only permitted outdoors <u>or</u> within areas constructed for activities in (i), (ii), and (iii). Dedicated permanent facilities are not permitted.	The special event area and picnic area will not result in the construction of new buildings or structures.

<b>Total</b>	<b>425 m<sup>2</sup> (Max)</b>	<b>358 m<sup>2</sup> (Proposed)</b>
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#### Cumulative Outdoor Ancillary Uses Maximum

13. Abbotsford's Zoning Bylaw sets a 300 m<sup>2</sup> cumulative maximum area for the following outdoor ancillary uses (ZB210.9.4.g.):
- alcohol product sampling;
  - food and beverage service lounge; and
  - areas under a special event area endorsement issued under the *Liquor Control and Licensing Act, S.B.C. 2015, c. 19*; excluding areas approved by the Province prior to December 31, 2022.
14. The applicants are proposing a 125 m<sup>2</sup> outdoor food and beverage lounge and 175 m<sup>2</sup> special event area for a cumulative total of 300 m<sup>2</sup> which complies with existing regulations.

#### Cumulative Floor Area: Farm Product Processing and Farm Alcohol Production Facility

15. Abbotsford's Zoning Bylaw requires the cumulative size of all farm product processing floor area (FFP floor area) and farm alcohol production facility floor area (FAPF floor area) to not exceed 2,500 m<sup>2</sup> when located on the same lot.
16. As per the property owner, the property has approximately 700 m<sup>2</sup> of existing farm product processing floor area. The proposed floor area for the farm alcohol production facility is 1,234 m<sup>2</sup>. The cumulative floor area of these uses are approximately 1,937 m<sup>2</sup> which is below the set maximum of 2,500 m<sup>2</sup>.

#### Farm Retail Sales

17. The ALC recognizes farm retail sales as a farm use that may not be prohibited by local governments provided:
- All farm products for sale are produced on that agricultural land; or
  - The total area used for all retail sales, both indoors and outdoors, does not exceed 300m<sup>2</sup> and at least 50% of that area is limited to the sale of farm products produced either on that agricultural land or by an association to which the owner of the agricultural land belongs to.
18. Abbotsford's Zoning Bylaw requires the cumulative size of the farm retail sales area and building floor area dedicated to retail sale and display associated with alcohol produced on the farm operation to not exceed 300 m<sup>2</sup> per lot (ZB 210.9.1.d.).
19. The property currently utilizes 230 m<sup>2</sup> of farm retail sales. The applicant is proposing up to 58 m<sup>2</sup> of retail space in the brewery for a total retail space of 288 m<sup>2</sup> which is less than the 300 m<sup>2</sup> farm retail sales area limitation.

#### Off-Street Parking

20. Off-street parking requirements based on the existing and proposed uses on the subject property are shown in Table 2.

<b>Table 2. Parking Requirements</b>				
<b>Use</b>	<b>Description</b>	<b>Regulation</b>	<b>Area (m<sup>2</sup>)</b>	<b>Required Spaces</b>
<b>Farm Alcohol Production Facility (proposed)</b>	Product sampling / retail sales	1 space per 20m <sup>2</sup>	58	3
	Indoor food and beverage service lounges	1 space per 20m <sup>2</sup>	125	6
	Outdoor food and beverage service lounges	1 space per 20m <sup>2</sup>	125	6
<b>Farm Retail Sales (existing)</b>	N/A	1 space per 20m <sup>2</sup>	230	12
<b>Farm Industrial (existing)</b>	Accessory farm office	1 space per 31m <sup>2</sup>	300	8
<b>Total Required Parking Spaces</b>				<b>35</b>

21. The applicant has indicated the property has approximately 80 existing parking spaces, 56 of which are shown on the site plan (see Figure 6a).

### **Floodproofing Provisions**

22. The brewery building is proposed within the vicinity of the subject property that is bisected to the north by Marshall Creek with Potter Ditch running along the eastern property line.

23. The Streamside Protection Bylaw does not apply to agricultural uses and the Natural Environment Development Permit Area does not apply to the ALR or lands designated as Agriculture in the OCP; however, Zoning Bylaw floodproofing provisions along with an assessment prepared by Keystone Environment Ltd., confirmed a 15 m setback from Marshall Creek and a 7.5 m setback from Potter Ditch for the proposed brewery.

24. The proposed siting of the brewery building complies with the setbacks.

### **Business Licencing**

25. The proposed hours of operation are from 9:00 am to midnight in the lounge areas and 9:00 am to 1:00 am in the special event area, seven days a week. These proposed hours are consistent with Business License Bylaw, 2006.

### **LCRB Manufacturer Licence**

26. Farmhouse Brewery is proposing to operate under a Manufacturer License from the Liquor and Cannabis Regulation Branch (LCRB). Under a Manufacturer Licence, the operator, may have an area for the retail sale and public sampling of their product. Such samples cannot exceed 375 ml per person per day, and food is limited to snack-like offerings, such as cheese and crackers.

27. To supplement a Manufacturer Licence, an operator may apply for any of the four

endorsements: lounge area, special event area, picnic area and on-site retail store.

28. The LCRB does not refer or require input from local governments for new Manufacturer Licence applications or picnic area endorsements.
29. Outdoor special event area, and indoor lounge and outdoor lounge areas, are subject to local government input.

#### Lounge Area Endorsements

30. The lounge endorsement permits the sale and service of liquor for on-site consumption beyond the 375ml samples. The lounge may be located indoors or on a patio and requires food be available to patrons in the lounge.
31. Farmhouse Brewing is proposing indoor (125 m<sup>2</sup>) and outdoor (125 m<sup>2</sup>) lounge areas with their lounge endorsement and will offer a range of menu items similar to their Chilliwack site which focuses on local farm to table ingredients. All food offerings are created onsite within the kitchen and would be offered during the hours of operation of the lounge.

#### Special Event Area Endorsement

32. A brewery operating under a Manufacturer Licence may be able to host an event within a licensed lounge or by obtaining a special event permit from the LCRB, up to a maximum of 10 events within a calendar year. Alternatively, an operator may seek a special event area endorsement which would not limit the number of events hosted within the year.
33. Farmhouse brewing has applied for a 175 m<sup>2</sup> outdoor special event area which would allow them to host more than 10 events a year. No permanent facilities are proposed within the special event area.
34. In accordance with the Development Application Procedures Bylaw, special event area endorsements applications are typically delegated to the General Manager for a response. However, in this case it will be presented to Council in conjunction with the proposed lounge endorsements on the same property, which is not delegated to the General Manger, for efficiency purposes.

#### Key Considerations

35. The LCRB requires the City to comment on the following issues:
  - a. ***The location of the establishment*** – The property is located to the south of Highway 1 and east off of Sumas Way, is within the ALR in an established agricultural area. The surrounding uses include South Parallel Road with Highway No 1 beyond (north), Automobile Storage (south, zoned: A2), Agricultural uses (zoned: A2) with Angus Campbell Road beyond (east), and Sumas Way with Regional Commercial Uses (zoned: CRZ, N10, and I2) beyond (west). The property contains agricultural uses, and several accessory agricultural uses including agri-tourism, farm retail sales, farm product storage, and a farm office.

- b. ***The person capacity and hours of liquor service of the establishment*** – the applicant is proposing a maximum of 170 persons at any given time within the lounge area endorsement: 85 people indoor and 85 people outdoor. The proposed 240- person outdoor special event area endorsement is 175 m<sup>2</sup>. The proposed hours of operation for the endorsement areas are consistent with the permitted hours of operation set out in the Business Licence Bylaw.
- c. ***The impact of noise on nearby residents*** – the closest single detached dwelling is over 300 m away. The proposed hours of operation for the endorsement areas are consistent with the permitted hours of operation set out in the Business Licence Bylaw.
- d. ***The impact on the community if the application is approved*** – the OCP supports value added opportunities in suitable locations that connect consumers with Abbotsford farms and agricultural products.

There are no significant impacts on the community anticipated.

### **Agriculture Advisory Committee (AAC)**

36. On October 10, 2024, the AAC reviewed the application and recommended Council considers supporting the lounge and special event area endorsements contained in the Liquor and Cannabis Regulation Branch application.
37. Staff notes the original proposal included a 240-person outdoor special event area (3,811 m<sup>2</sup>). Upon further review and to meet the Zoning Bylaw regulations, the proposal was revised to reduce the special events area from 3,811 m<sup>2</sup> to 175 m<sup>2</sup> following the October 10, 2024 Agricultural Advisory Committee meeting.

### **Communication Plan**

If supported by Council, the liquor licence application under reference number 3100-05/PRJ23-145 will proceed to a Council Hearing. The City will notify in writing the owners and occupiers of land abutting the property.

### **FINANCIAL PLAN IMPLICATION**

No financial plan implications are anticipated.

### **IMPACTS ON COUNCIL POLICIES, STRATEGIC PLAN AND/OR COUNCIL DIRECTION**

The proposal aligns with the goals and objectives identified in the 2016 Official Community Plan, and Council's 2022-2026 Strategic Plan which identifies four Guiding Principles: Inclusive and Connected Community, Sustainable and Safe City, Vibrant and Growing Economy and Organizational Excellence and Integrity.

### **SUBSTANTIATION OF RECOMMENDATION**

Staff recommends Council forward the application to include lounge and special event area endorsements with the proposed Manufacturer Licence to the Liquor and Cannabis Regulation Branch with support.



Staff support the requested endorsements as the proposal:

- is consistent with OCP Policy and the provisions of the ALR Use, Zoning Bylaw, and Business Licence Bylaw Regulations;
  - has received the support of the Agricultural Advisory Committee; and
  - did not raise any concerns from staff with regard to the key considerations reviewed above in Section 35 above.
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## **APPROVALS**

Mark Neill, General Manager of Planning and Development Services  
Randy Millard on behalf of Komal Basatia, Chief Financial Officer  
Peter Sparanese, City Manager

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## **ATTACHMENTS**

Council Figures 0-8a  
Attachment A – Corporate Summary