

Proposed Zoning by Agreement – 519 2nd Avenue North – Great Western Brewing Company

APPLICATION SUMMARY

Great Western Brewing Company (Great Western) submitted an application to rezone 519 2nd Avenue North to facilitate the development of a new brewing facility. The site located in the City Park neighbourhood is the location of their current operations. The existing operations are a non-conforming use under the current zoning, IL1 – General Light Industrial District. Rezoning to IH – Heavy Industrial District, subject to a Zoning Agreement, will accommodate the new brewing facility and a limited range of commercial uses.

RECOMMENDATION

That a copy of this report be submitted to City Council recommending that at the time of the Public Hearing, City Council consider Administration's recommendation that the amendment to Bylaw No. 8770, Zoning Bylaw, 2009 to rezone 519 2nd Avenue North to IH – Heavy Industrial District, subject to a Zoning Agreement, as outlined in this report, be approved.

BACKGROUND

Great Western's operations, located at 519 2nd Avenue North, occupy a city block located in the City Park neighbourhood within the boundary of the City Centre. A brewery has existed at this site since 1927, when it was constructed for the Hub City Brewing Company, with Great Western operating there since its inception in 1989. It is the only remaining major capacity brewery in Saskatchewan. The building is recognized by the [Saskatoon Register of Historic Places](#) for its significant heritage value.

The property is currently designated as 'Light Industrial' on the Official Community Plan Land Use Map and is zoned IL1 – General Light Industrial District under the Zoning Bylaw. Adjacent blocks on the east side of 2nd Avenue, as well as to the south on its west side are zoned B5 – Inner-City Commercial Corridor District, which is reflective of the commercial main street character (see Appendix 1 and 2).

Great Western is a non-conforming use as breweries are prohibited within the IL1 District. While recent bylaw amendments have made allowance for microbreweries within the IL1 District and other zones, Great Western is considered a regional brewery by the Saskatchewan Liquor and Gaming Authority due to the higher volumes produced and is only permitted in the IH – Heavy Industrial zone. Great Western's non-conforming status dates back to the Plan Saskatoon Project and adoption of a new Zoning Bylaw in 1998, that consolidated three light industrial zoning districts into one district. *The Planning and Development Act, 2007* allows a non-conforming use to continue, but it may not be increased in intensity, area or volume within a building, or on the parcel it occupies and may not be moved or relocated within a building or its parcel.

Great Western has indicated that their current brewing facility is nearing the end of its serviceable life and a new facility is required in order to continue operations. In considering multiple options for their future, including building on a new site, their preferred option is to remain on their original site within Saskatoon's City Centre. As a result, a rezoning of the property to accommodate the new facility is required.

DISCUSSION

Development Proposal

Great Western's development proposal (see Appendix 3) is summarized as follows:

1. Add a new brewing facility on the southeast corner of the property that will be integrated with the existing 1927 building which fronts 2nd Avenue.
2. The new building addition incorporates design elements of the original building along 2nd Avenue and 26th Street, including use of brick, arched windows and glazing to allow interior brewing spaces to be visible from the public realm.
3. Approximately 690 m² (7,400 ft²) of leasable commercial space is proposed as an option for adaptive re-use of a portion of the original building which will be vacated by the brewery. Any new storefronts developed within this area will face 2nd Avenue.
4. New brewing equipment will improve efficiencies in several areas, including reduced water usage, energy consumption and residual aroma released in the atmosphere, such as the occasional smell of brewer's yeast.
5. A total of 46 parking spaces and six bicycle parking spaces are proposed on-site within an existing parking lot on the southwest corner of the property and a new parking lot accessed from Queen Street which will be created by demolishing a building addition that is not part of the 1927 structure.
6. Delivery of raw inputs will continue via the site's north-south lane, with shipment of finished product continuing to occur from loading bays on 1st Avenue.

If this rezoning is approved, development would take place in phases with construction and commissioning of the new brewery to occur first and alterations to the original building to occur afterwards.

Proposed Zoning Agreement

A rezoning to IH – Heavy Industrial, subject to a Zoning Agreement, is proposed. A Zoning Agreement (Agreement) is a regulatory tool used to address a specific development proposal and may address the use of the land, buildings, form of development, site layout and general external design. The proposed terms of the Agreement (see Appendix 4) address the following:

1. **Use of Land:** Permitted uses will be restricted to that of a brewery and its associated activities, as well as a limited range of general commercial uses. All other industrial uses, as well as the production of excessive nuisances will be prohibited.
2. **Parking:** Provision for vehicle and bicycle parking spaces will be required on-site.

3. **Building Setbacks:** The new addition is proposed with no setback from 2nd Avenue or 26th Street, which is consistent with the 1927 building and in keeping with the commercial main street character of the area.
4. **Landscaping:** Alternative landscaping treatments for the site include planters incorporated into the base of the new addition and a landscaped area at the northeast corner of the site, including the retention of existing trees. Surface parking areas will be screened from view with fencing.
5. **Signage:** To mitigate potential impact on nearby residents, digital signage will be restricted from facing east towards the residential area.

Considerations for On-Site Parking

A total of 46 parking spaces are proposed on-site. While this is a slight decrease from the 52 spaces which currently exist, it is a considerable increase from the 26 spaces that are required by the Zoning Bylaw for the site in its current form. Parking for the commercial space will be required at a rate of one space per 150 m² of gross floor area. This amounts to six parking spaces for the 690 m² of commercial space proposed, but Great Western has indicated their operational needs within the building may result in less space being offered for lease. Administration feels the parking for the commercial space is appropriate given the policy context and other considerations relevant to this location:

1. The site is located in the City Centre, where existing commercial zones (B5, B6, etc.) have no required parking. This includes immediately adjacent blocks on 2nd Avenue that are zoned B5.
2. Existing policy supports a multi-modal transportation network within the City Centre, which the Official Community Plan (OCP) identifies as the principal focal point for public transit. The proposed Bus Rapid Transit system will run on 25th Street East, one block to the south. A high level of transit service already exists in the area and the site is within walking distance of the residential area of City Park.
3. On-site parking can provide a basic level of supply for employees of the commercial space with the parking needs of come-and-go customers to be supported by the on-street supply. Great Western occupies an entire block face of 2nd Avenue, with no other uses located directly on this block drawing from its on-street supply.
4. The residential area to the east is encompassed by the City Park Residential Parking Permit Zone, where enforceable time limits for non-permit holders are in place to mitigate impact of non-residential parking demand in the area.

Policy Review

A detailed overview of relevant policies from the Official Community Plan and established secondary plans is provided (see Appendix 5). Notable alignment with these plans is highlighted below.

Land Use Designation to Remain ‘Light Industrial’

No amendment to the Official Community Plan Land Use Map is proposed in conjunction with this rezoning and the site’s current ‘Light Industrial’ land use designation will remain in place, consistent with neighbouring properties in the area.

The fundamental difference between light and heavy industrial land use in the Official Community Plan is the potential for land use conflicts with heavy industrial uses through the production of off-site impacts that are noxious, injurious or constitute a nuisance. Alternatively, light industrial land use shall not create land use conflicts in the normal course of operations. Flowing from this policy, the IL1 – General Light Industrial zone contains a clause that specifically prohibits such activities.

It is proposed that the clause prohibiting the production of off-site impacts that are noxious, injurious or constitute a nuisance be included in the Agreement so it will align with the site’s ‘Light Industrial’ designation, even though the base zone used for the Agreement will be IH – Heavy Industrial in order to permit a brewery of this scale. Great Western has been subject to this regulation as an IL1-zoned site for many years and the City has no history of land use complaints. Of note, modern brewing equipment will greatly reduce or eliminate the potential for residual aroma from the brewing. A heat recapture process will divert vapour and its attendant aroma that is currently discharged into the atmosphere without mitigation.

Land use designations are intended to provide high-level policy direction over a consistent and contiguous area, while the regulation of individual sites within an area may vary with the particular zoning treatment. Maintaining the site’s ‘Light Industrial’ designation will keep it consistent with the surrounding area and protect against any perceived encroachment of heavy industrial land use. Use of the IH – Heavy Industrial zone as the base zone for the Agreement is solely to permit the Brewery use and does not set a precedent for more IH-zoned land to be established in the area.

Official Community Plan

The [Official Community Plan](#) sets out criteria that are relevant to the consideration of a rezoning request and its suitability, which are expanded on in Appendix 5. In addition, the proposal aligns with a number of other policies in the OCP:

1. Promote the intensification of developed urban areas to minimize the urban footprint and accommodate long-term regional growth.
2. Support and encourage a variety of building types and sizes in existing areas, while improving access to employment opportunities, commercial businesses, and services.
3. Support the strategic redevelopment of Employment Areas where land use conflict can be reduced or eliminated, and existing infrastructure can be optimized.
4. The City Centre will contain a strong diversity of activity and will prioritize the pedestrian experience.

City Centre Plan

The [City Centre Plan](#) identifies 2nd Avenue as the City Centre's primary north-south pedestrian priority street. The development proposal responds to the significance of the street with pedestrian-friendly design elements and the addition of new commercial space with access from 2nd Avenue. Additionally, the City Centre Plan encourages the retention of heritage significant buildings through adaptive reuse.

City Park Local Area Plan

The [City Park Local Area Plan](#) supports the retention of local businesses, improving the appearance of commercial and industrial properties and streetscapes, as well as reducing potentially noxious industrial land use adjacent to residential areas. It does not note any concerns with the existing Great Western Brewery.

Comments from Other Departments

As part of the application process, this application was circulated to civic departments to evaluate compliance with applicable policies and bylaws. There were no issues identified which preclude this application from proceeding to a Public Hearing.

The Transportation Department and Great Western have worked to identify an option for site access for the delivery of raw inputs to the site's north-south lane that balances the preservation of on-street public parking on 26th Street, improved pedestrian infrastructure on this block and the safe access/egress of their delivery trucks (see Appendix 3).

COMMUNICATIONS AND ENGAGEMENT

Notification of the proposed development was provided to 174 property owners within approximately 150 metres of the site, as well as the Ward Councillor and City Park Community Association. It was placed on the Engage Page on the City's website and development signs were installed on-site.

To date, a total of three individuals have followed up with questions and comments, two of which have provided concerns in writing. Three letters of support have also been received. Due to the low overall response, a virtual public information meeting was not held. Administration has continued follow-up with the two concerned individuals to respond to questions and concerns. (see Appendix 6).

In addition, Great Western has undertaken its own engagement efforts, including a come-and-go open house held on November 18, 2021, with 10 individuals in attendance (see Appendix 7), as well as separate meetings with the City Park Community Association and Saskatoon Heritage Society.

PUBLIC NOTICE

Public notice is required for consideration of this matter, pursuant to Section 11(a) of Policy C01-021, the Public Notice Policy.

Once this application has been considered by the Municipal Planning Commission, it will be advertised in accordance with Policy C01-021, the Public Notice Policy and a date for a public hearing will be set. A notice will be placed in The StarPhoenix two weeks prior to the public hearing.

APPENDICES

1. Location Plans
2. Fact Summary Sheet
3. Plans and Renderings
4. Proposed Terms of Zoning Agreement
5. Policy Review
6. Community Engagement Summary
7. Great Western Open House Summary Report

REPORT APPROVAL

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Approved by: Lynne Lacroix, General Manager, Community Services

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