



## REPORT

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**TO:** Mayor Bonnette and Members of Council

**FROM:** Ruth Conard – Planner – Development Review

**DATE:** May 10, 2022

**REPORT NO.:** PD-2022-0030

**SUBJECT:** Recommendation Report for a proposed Temporary Use Zoning By-law Amendment to permit a Microbrewery at 1 Elgin Street (Georgetown)

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### RECOMMENDATION:

THAT Report No. PD-2022-0030, dated May 10, 2022, regarding the “Recommendation Report for a proposed Temporary Use Zoning By-law Amendment to permit a Microbrewery at 1 Elgin Street (Georgetown)”, be received;

AND FURTHER THAT the Temporary Use Zoning By-law Amendment, to amend Town of Halton Hills Comprehensive Zoning By-law 2010-0050, as amended, for the lands municipally known as 1 Elgin Street (Georgetown), as generally shown on SCHEDULE 3 – ZONING BY-LAW AMENDMENT, be approved.

### KEY POINTS:

The following are key points for consideration with respect to this report:

- Official Plan and Zoning By-law Amendment applications were submitted in December 2020 seeking to permit a multi-residential development at 59, 61 and 63 King Street and to permit food and drinks to be served and consumed within the existing Furnace Room Brewery at 1 Elgin Street.
- The proposals have been separated to allow the 1 Elgin Street (Furnace Room Brewery) portion of the applications to proceed while the Applicant continues to work with Town staff to resolve outstanding matters pertaining to the multi-residential proposal.
- The Furnace Room Brewery proposal has also been revised to now seek approval for a 2-year Temporary Use Zoning By-law Amendment to allow staff to monitor the use and associated parking and traffic implications.

- The Statutory Public Meeting for the applications was held on March 1, 2021. Five residents were in attendance with two of those residents coming forward to speak directly about the Furnace Room Brewery proposal. Additional public comments have been received since the Public Meeting and are discussed in Section 5.0 – Public Comments.
- Town staff and external agencies have completed their review of the application and proposal. This report is recommending approval of the two-year Temporary Use Zoning By-law Amendment application for 1 Elgin Street.

## **BACKGROUND AND DISCUSSION:**

### 1.0 Location and Site Characteristics:

The subject property is located on the east side of Elgin Street, just north of King Street, in the urban area of Georgetown; see SCHEDULE 1 – LOCATION MAP. The 0.2 hectare (0.5 acres) property has frontage of approximately 30.35 metres (99.5 ft.) on Elgin Street and contains the Furnace Room Brewery.

Surrounding land uses to the subject parcel includes:

To the North:	CN rail tracks and industrial uses further north
To the East:	Single detached dwellings and Greenwood Cemetery further east
To the South:	Single detached dwellings
To the West:	Single detached dwellings and the Georgetown GO Station

### 2.0 Application History:

On December 1, 2020, the Town deemed complete Official Plan and Zoning By-law Amendment applications (File No(s). D09OPA20.003 & D14ZBA20.012) submitted by Mike Dykstra (the Applicant) for two adjacent parcels in Georgetown. The applications sought different permissions for each of the two parcels:

- 59, 61 and 63 King Street – to allow for the construction of 7 two-storey townhouse units, a three-storey double duplex building containing 4 units and a single detached dwelling.
- 1 Elgin Street – to permit food and drinks to be served and consumed within the Furnace Room Brewery.

Matters regarding to the Furnace Room Brewery proposal have been addressed; however, the Applicant continues to work with Town staff to resolve outstanding items pertaining to the multi-residential proposal for 59, 61 and 63 King Street. Therefore, consideration of the two proposals has been separated and this report only provides recommendations regarding the 1 Elgin Street site. A separate report will be brought forward for the 59, 61 and 63 King Street applications at a later date.

### 3.0 1 Elgin Street Proposal:

The submitted Zoning By-law Amendment application seeks to define the Furnace Room Brewery as a “Microbrewery”, which would permit food and drinks to be served and consumed within the existing building, in addition to the currently permitted brewery operation. As part of the proposal the Applicant intends to introduce a pizza vending machine to the site and to accommodate a food truck in the rear parking lot; see SCHEDULE 2 – SITE PLAN.

Under the current zoning for the property the beer manufacturing component of the existing brewery has always been permitted. In 2018 the Furnace Room Brewery received minor variance approval (File No. D13VAR17.012H) to also permit an accessory retail use, to a maximum of 15% of the gross floor area of the building; the retail use allowed for tasting of the product to be provided. The subject application is now seeking to expand the brewery and retail permissions to also formally permit food and beverage service and consumption to occur (beyond tasting samples).

The application originally sought to permit the food and drink service/consumption on a permanent basis. However, the application has since been revised to seek approval of a Temporary Use Zoning By-law Amendment to permit the food and drink for a 2-year period only, in order to allow staff to monitor the use and associated parking and traffic implications. Following the 2-year period the Applicant may seek to obtain Zoning permissions to allow the collective “Microbrewery” use on a permanent basis.

Therefore, the full intent of the requested Temporary Use Zoning By-law Amendment is to seek the following permissions on a 2-year basis:

- To permit a Microbrewery, which is defined as “a place used for the small scale and independent manufacturing of specialty or craft beer or spirits produced for retail sale and consumption on or off-site as well as the accessory preparation, service and consumption of food. On-site manufacturing, retail sale and consumption of beverage or food shall only occur within an enclosed building”;
- To provide a minimum of 16 parking spaces on-site;
- To permit a minimum width of an aisle providing access to a parking space within a parking area of 6.0 metres; and,
- To permit a minimum parking space width of not less than 2.6 metres and length of not less than 5.5 metres.

The 1 Elgin Street property is still subject to the old Georgetown Zoning By-law (57-91). Therefore, the Zoning By-law Amendment is also intended to serve as a housekeeping amendment to consolidate the parcel into Comprehensive Zoning By-law 2010-0050 as an Employment One (EMP1) zone. The proposed Temporary Use Zoning By-law Amendment would then apply to the EMP1 zone under the Town’s current comprehensive Zoning By-law; see SCHEDULE 3 – ZONING BY-LAW AMENDMENT.

#### 4.0 Planning Context and Policy Framework:

The purpose of this section is to evaluate the proposed Temporary Use Zoning By-law Amendment against the relevant Provincial, Regional and Town policy framework to determine conformity with the applicable policies and guidelines.

##### Provincial Policy Statement:

The 2020 Provincial Policy Statement (PPS) provides policies that promote an appropriate range and mix of employment, including industrial and commercial uses, to meet the long-term needs of residents and make appropriate use of infrastructure to support the development of healthy communities. Policy direction pertaining to employment is set out in Section 1.3 of the PPS. The proposal is required to be consistent with the relevant policies of the PPS in accordance with Section 3 of the Planning Act.

Planning staff is of the opinion that the proposed Temporary Use Zoning By-law Amendment is consistent with the policies of the 2020 PPS.

##### Growth Plan for the Greater Golden Horseshoe:

The subject lands are part of a larger designated urban area of Georgetown. The Growth Plan contains policies that speak to achieving complete communities that feature a diverse mix of land uses, including residential and employment uses, and convenient access to local stores, services, and public service facilities. As per Section 3 of the Planning Act, the proposal shall conform and not conflict with the Growth Plan.

Planning staff is of the opinion that the proposed Temporary Use Zoning By-law Amendment is in conformity with the Growth Plan for the Greater Golden Horseshoe.

##### Region of Halton Official Plan:

The 2009 Regional Official Plan (ROP) designates the lands as Urban Area (Georgetown). Section 76 of the ROP establishes that the range of permitted uses and the creation of new lots within the Urban Area shall be in accordance with local Official Plans and Zoning By-laws.

Regional staff has confirmed that the application is in conformity with the ROP.

##### Town of Halton Hills Official Plan:

The subject property is located within the Georgetown GO Station Secondary Plan Area and situated in the South Precinct. The property is designated Employment Area, which recognizes and permits the use of the lot and existing buildings and additions to the buildings, for industrial, office and other non-residential uses, including retail and service commercial uses. This designation does not preclude the use of the property as a beer manufacturing facility with ancillary or associated uses.

Section G4.1 of the Official Plan states that Council may pass by-laws permitting the temporary use of lands, buildings or structures, which may not conform to the policies of the Official Plan, subject to Council being satisfied that:

- a) the proposed use is of a temporary nature and shall not entail any major construction or investment on the part of the owner so that the owner will not experience undue hardship in reverting to the original use upon the termination of the temporary use;
- b) the proposed use will not prejudice the long-term intent of or the orderly development contemplated by the provisions and land use designations contained in this Plan;
- c) the proposed use is compatible with adjacent land uses and the character of the surrounding neighbourhood;
- d) the proposed use will not require the extension or expansion of existing municipal services;
- e) the proposed use will not cause traffic hazards or an unacceptable level of congestion on surrounding roads;
- f) parking facilities required by the proposed use will be provided entirely on-site; and,
- g) the proposed use shall generally be beneficial to the neighbourhood or the community as a whole.

As per Section G4.1, a temporary use may be authorized for a specific time period up to 3 years. Subsequent by-laws granting extensions of up to 3 years may be passed.

Town staff is of the opinion that the proposed Temporary Use Zoning By-law Amendment satisfies the criteria of Section G.4.1 of the Official Plan as follows:

- a) A Building Permit will be required for internal renovations to the mezzanine level of the existing building, including the addition of two new washrooms, to support the food and beverage consumption. However, no external renovations are required to the building or site in support of the temporary amendment.
- b) The subject property is designated Employment Area under the Town's Official Plan, which allows industrial uses and does not preclude the use of the building as a beer manufacturing facility. The temporary amendment does not require any substantial permanent changes to the site that would affect its redevelopment for another use consistent with the Employment Area land use designation.
- c) The initial proposal sought to allow food and drink consumption to occur as an extension to the existing brewery on a permanent basis, which is a common business model for many craft breweries. Over the past few years, the Furnace Room Brewery had already begun to offer beer for consumption beyond the

tasting permissions available to them through the previous minor variance approval, which initiated the request for the subject Zoning By-law Amendment.

However, the already occurring drink consumption has generated some noise complaints over the past year from neighbouring residential property owners, much of which appear to be associated with the patio that Furnace Room Brewery operated during seasonal weather during the COVID-19 pandemic. Questions have also been raised about how much on-site parking would be sufficient for the Microbrewery use, as there are no existing parallels staff could find as a suitable comparison. As a result, Town staff did not feel comfortable supporting the proposed food and beverage consumption on a permanent basis, at this time.

Staff does support permitting the Microbrewery use on a temporary 2-year basis. Staff recognizes that the Furnace Room Brewery already represents a non-traditional land use condition as a permitted use on an industrially zoned parcel that has historically existed within a predominantly low-density residential neighbourhood. On-site food and drink consumption is common for many craft breweries; permitting the use on a temporary 2-year basis will allow staff to monitor its operation to determine if it creates any compatibility issues for the site and neighbourhood beyond those generated by the existing brewery or as could be expected when an industrial property is located within a low-density residential neighbourhood. Also, the proposed Temporary By-law does not include permissions for a patio, which should help address the nature of much of the previous noise complaints.

- d) No changes to the municipal services are required as a result of the proposed Temporary Use Zoning By-law Amendment. The Region of Halton has no concerns from a Regional servicing perspective.
- e) & f) The Applicant has submitted studies indicating that the 16 existing on-site parking spaces are sufficient for the proposed Microbrewery use. The Applicant also suggests that the volume of traffic that will be generated will not exceed the current conditions, which have not been flagged as posing a hazard or unacceptable level of congestion. However, limiting approval at this time to a 2-year timeframe will provide staff with an opportunity to observe the on-site parking situation and traffic patterns associated with the Furnace Room Brewery to determine if they are adequate and appropriate on a long-term basis.
- g) The Furnace Room Brewery has been operating at its current location since 2018. The brewery is the first of its kind in Halton Hills and since opening has become a local destination and tourist draw.

Although the *Planning Act* and Town's Official Plan allow a maximum 3-year period under a Temporary Use Zoning By-law, the proposed temporary use is only for a 2-year period so that it is tied to the maximum 2-year length permitted for the Alcohol and Gaming Commission of Ontario (AGCO) license that Furnace Room Brewery is seeking. Furnace Room Brewery has applied to the AGCO for a "By-the-Glass" license, which allows breweries and wineries to sell and serve their products for consumption on

their manufacturing sites where the sale is primarily aimed at promoting their product and providing an enhanced tourist experience. The AGCO has indicated they will not grant any license until the associated use is permitted on the property.

#### Town of Halton Hills Zoning By-law:

1 Elgin Street is still subject to the old Georgetown Zoning By-law 57-91, under which it is zoned First Industrial (M1). The M1 zone permits industrial and manufacturing uses, which allows for a brewery. The property received minor variance approval in 2018 for an accessory retail use to the brewery, to a maximum of 15% of the gross floor area of the building.

Through the proposed Zoning By-law Amendment, By-law 57-91 will be repealed, and the property will be consolidated into Comprehensive Zoning By-law 2010-0050 as a site-specific Employment One (EMP1) zone. The EMP1 zone reflects the same land use permissions as the out-of-date M1 zone and also permits accessory retail stores to a maximum floor area of 15% of the principal use. The only substantial difference between the two zones is that the EMP1 zone permits aggregate transfer stations, contractors yards, transport terminals and other similar type uses; the site-specific provision will be used to prohibit these uses specifically for the 1 Elgin Street property.

Under Zoning By-law 2010-0050, the Amendment would also then grant a temporary 2-year permission for a “Microbrewery”, which permits the service and consumption of food and drink to occur on the property. The temporary zoning permissions specifically would include the following:

- To permit a Microbrewery, which is defined as “a place used for the small scale and independent manufacturing of specialty or craft beer or spirits produced for retail sale and consumption on or off-site as well as the accessory preparation, service and consumption of food. On-site manufacturing, retail sale and consumption of beverage or food shall only occur within an enclosed building”;
- To provide a minimum of 16 parking spaces on-site;
- To permit a minimum width of an aisle providing access to a parking space within a parking area of 6.0 metres; and,
- To permit a minimum parking space width of not less than 2.6 metres and length of not less than 5.5 metres

Town staff considers the Temporary Use Zoning By-law Amendment appropriate given that the proposal satisfies the Official Plan criteria for the approval of a Temporary Use Zoning By-law. Further, staff has no objections to the site-specific provisions requested regarding the aisle width and the number and size of parking spaces on a temporary basis. The intention of granting 2-year temporary permission of the above requested use and provisions is to allow Town staff the ability to monitor the use and its operation to identify any possible issues before considering allowing the use on a permanent basis, which the Applicant has indicated is their ultimate desire.

## 5.0 Department and Agency Comments:

The proposed Temporary Use Zoning By-law Amendment was circulated to Town departments and external agencies for review, with the most recent circulation occurring in March 2022. Staff from various departments and agencies have completed their review of the proposal and have indicated that they have no concerns or objections to the proposed Temporary Use Zoning By-law Amendment.

## 6.0 Public Comments:

The original proposal for permanent food and drink service and consumption at 1 Elgin Street was presented to the public by way of Report No. PD-2021-0010 through a Statutory Public Meeting on March 1, 2021. There were approximately five interested persons in attendance at the meeting with two of those individuals coming forward to present their concerns specifically about the Furnace Room Brewery proposal. Staff has also received additional correspondence from area residents regarding the proposed application.

The following section describes the specific public questions/concerns received to date and the responses provided:

1. Questions were asked about the nature of the existing permissions for Furnace Room Brewery and how they differ from what is proposed as part of the Temporary Use Zoning By-law Amendment.

### *Staff Response:*

The Furnace Room Brewery is currently permitted the following uses:

- manufacturing of beer
- retail sales as an accessory use up to 15% of the gross floor area of the building. The retail use allows for samples of the retail product to be provided.

However, the Applicant acknowledged that over the past few years Furnace Room Brewery began to serve beer for consumption on-site beyond the sample or tasting permissions available to them, especially during the COVID-19 pandemic when the brewery also began operating a patio.

Through the Temporary Use Zoning By-law Amendment, the Applicant is seeking to obtain formal permission to allow the service and consumption of drink on-site for a 2-year period, similar to how they have been operating over the past few years (except permission for a patio will not be granted through the Temporary Use Zoning By-law Amendment). The By-law would also allow food consumption on-site, which Furnace Room Brewery proposes to introduce through a pizza vending machine and a food truck located at the rear of the site.

2. Residents have inquired about the hours of operation that Furnace Room Brewery will be allowed to operate.

*Staff Response:*

Furnace Room Brewery will be allowed to operate during their normal business hours, which are as follows:

Monday, Tuesday and Wednesday – 12.00 p.m. to 6:00 p.m.  
Thursday, Friday and Saturday – 12:00 p.m. to 9:00 p.m.  
Sunday – 12:00 p.m. to 4:00 p.m.

The *Planning Act* does not grant authority to regulate hours of operation for any use through a Zoning By-law Amendment.

3. Concerns have been raised by a few residents about the level of noise generated by the Furnace Room Brewery, especially during the pandemic when the patio was operating.

*Staff Response:*

The Town's Noise By-law (2010-0030) regulates noise. The Applicant will be required to adhere to the regulations outlined in the By-law to ensure compliance. Town By-law Enforcement staff has indicated that they will monitor the Furnace Room Brewery operation during the 2-year period to try and address any potentially unacceptable noise volumes to mitigate or prevent disruption for area residents. It should also be noted that the Temporary Use Zoning By-law Amendment will not contain permissions for a patio on the Furnace Room Brewery site.

4. Concerns were expressed about insufficient on-site parking and congestion of vehicles in the neighbourhood.

*Staff Response:*

The Applicant suggests that the formal permission for food and drink service/consumption should not cause a noticeable change to the current brewery operation or parking and traffic conditions, which to date have not been identified by staff as creating a hazard or unacceptable condition. However, staff acknowledges that much of the brewery's operation has occurred during the COVID-19 pandemic, which makes it difficult to measure the true potential impact. It is also not clear how many of the brewery patrons rely on the adjacent GO Station lot for parking.

The intent of limiting approvals for food and drink consumption to a 2-year period is to provide staff with an opportunity to observe traffic patterns and on-site parking to determine if it is adequate or results in any unacceptable conditions. Should it be determined that the 16 existing on-site parking spaces are insufficient for the Microbrewery use, the temporary period also provides the Applicant time to explore

reaching agreement with Metrolinx to allow parking in the GO Station lot in support of potentially permitting the use on a permanent basis.

5. Residents questioned how enforcement would occur if the Furnace Room Brewery does not comply with the provisions of the temporary use by-law.

*Staff Response:*

Town By-law Enforcement staff will monitor the premise to ensure compliance. If at any time the business is found operating outside of the approvals granted, Enforcement staff will consider how best to apply various tools available to them to address the concerns/complaints, which can include fines and other possible measures.

**STRATEGIC PLAN ALIGNMENT:**

This report aligns to the Town's Strategic plan recognizing the value to foster a prosperous economy, maintain and enhance the economic vitality of the town through the provision of a wide range of opportunities for economic development.

This report also identifies shaping growth as one of the Town's Strategic priorities.

**RELATIONSHIP TO CLIMATE CHANGE:**

This report impacts and/or helps address climate change and the Town's resiliency through climate adaptation.

**PUBLIC ENGAGEMENT:**

Public Engagement was conducted as follows: A Statutory Public Meeting was held on March 1, 2021. This meeting fulfilled the requirements for public participation under the Planning Act, and provided Transparency, Notification and Participation, as defined in the Town's Public Engagement Charter.

**INTERNAL CONSULTATION:**

Planning staff has consulted with the appropriate Town departments, Region of Halton and the Alcohol and Gaming Commission of Ontario (AGCO) in the preparation of this report.

**FINANCIAL IMPLICATIONS:**

This report is administrative in nature and does not have any financial implications.

Reviewed and approved by,

Jeff Markowiak, Director of Development Review

John Linhardt, Commissioner of Planning and Development

Bill Andrews, Commissioner of Transportation and Public Works and Acting Chief  
Administrative Officer