

DISTRICT OF SAANICH
MINUTES OF THE COUNCIL MEETING
HELD IN THE COUNCIL CHAMBERS
SAANICH MUNICIPAL HALL, 770 VERNON AVENUE
MONDAY, MAY 2, 2016 AT 7:00 PM

Present: **Chair:** Acting Mayor Derman
Council: Councillors Brice, Brownoff, Haynes, Murdock, Plant, Sanders and Wergeland
Staff: Paul Thorkelsson, Chief Administrative Officer; Sharon Hvozdzanski, Director of Planning; Valla Tinney, Director of Finance; Harley Machielse, Director of Engineering; Donna Dupas, Legislative Manager; Sharon Froud, Deputy Legislative Manager; and Lynn Merry, Senior Committee Clerk

Minutes

ADOPTION OF MINUTES

MOVED by Councillor Brownoff and Seconded by Councillor Wergeland:
“That Council adopt the minutes of the April 25, 2016 Council meeting.”

CARRIED

BYLAWS FOR FINAL READING

1110-30

Council Procedure
Bylaw

COUNCIL PROCEDURE BYLAW

Final Reading of “Council Procedure Bylaw, 2015, Amendment Bylaw, 2016, No. 9376”. To update the bylaw with the proposed amendments from the review held in December 2015.

MOVED by Councillor Brownoff and Seconded by Councillor Wergeland:
“That Bylaw No. 9376 be adopted by Council and the Seal of the Corporation be attached thereto.”

CARRIED

MOVED by Councillor Brice and Seconded by Councillor Wergeland:
“That Council approve the revised 2016 Schedule of Meetings.”

The Legislative Manager stated:

- The revised schedule of meetings reflects the amendments to the Council Procedure Bylaw in that an Open Forum will be held at the last Council meeting of each month at 7:00 p.m. with the regular Council meeting to follow at 7:30 p.m.

The Motion was then Put and CARRIED

PUBLIC INPUT ON COUNCIL AGENDA ITEMS

Public Input on
Council Agenda
Items

Nil

BYLAWS

1410-04
Report – Finance

xref: 5280-20
2016 Borrowing

RESOLUTIONS FOR SHORT TERM BORROWING

Report of the Director of Finance dated April 27, 2016 recommending that Council approve the following short term borrowing of five years from the Municipal Finance Authority:

- a) a sum not exceeding \$194,000 for Cedar Hill Golf Course equipment; and,
- b) a sum not exceeding \$850,000 for Information Technology equipment.

MOVED by Councillor Plant and Seconded by Councillor Hayes: “That Council, in accordance with Section 175 of the *Community Charter*, approve short term borrowing of five years from the Municipal Finance Authority of British Columbia for a sum not exceeding \$194,000 for Cedar Hill Golf Course equipment with no right of renewal.”

CARRIED

MOVED by Councillor Haynes and Seconded by Councillor Brownoff: “That Council, in accordance with Section 175 of the *Community Charter*, approve short term borrowing of five years from the Municipal Finance Authority of British Columbia for a sum not exceeding \$850,000 for information technology equipment with no right of renewal.

CARRIED

FINANCIAL PLAN, TAX RATES, PARCEL TAX AND LOAN AUTHORIZATION BYLAWS

Report of the Director of Finance dated April 27, 2016 recommending that Council give approval to the following bylaws:

1110-30
Financial Plan
Bylaw

FINANCIAL PLAN BYLAW (2016-2020)

Three Readings of the “Financial Plan Bylaw, 2016, No. 9377”. To establish the five year Financial Plan for 2016-2020.

MOVED by Councillor Haynes and Seconded by Councillor Wergeland: “That Bylaw No. 9377 be introduced and read.”

CARRIED

MOVED by Councillor Haynes and Seconded by Councillor Wergeland: “That Bylaw No. 9377 be read a second time.”

In response to questions from Council, the Director of Finance stated:

- Much of the reductions from the original 3.25% increase in the Financial Plan were a result of increases in revenue opportunities and resource requests being deferred; revenue adjustments resulted in a further reduction to 3.13%.
- Typically, Council increases property taxation annually by .75% but Council can make decisions to reduce that number.
- The Financial Plan shows an increase of 2% to core capital budget over last year; the 2% increase plus the .75% property tax increase averages out to an approximate 1% tax increase for infrastructure funding.

Councillor Derman stated:

- Council has committed to ensuring that infrastructure funding gets to a sustainable level.

The Motion was then Put and CARRIED

MOVED by Councillor Plant and Seconded by Councillor Haynes: "That Bylaw No. 9377 be now passed."

CARRIED

1110-30
Tax Bylaw

TAX BYLAW

Three Readings of "Tax Bylaw, 2016, No. 9378". To establish the tax rates for 2016.

MOVED by Councillor Wergeland and Seconded by Councillor Brownoff: "That Bylaw No. 9378 be introduced and read."

CARRIED

MOVED by Councillor Wergeland and Seconded by Councillor Brownoff: "That Bylaw No. 9378 be read a second time."

CARRIED

MOVED by Councillor Wergeland and Seconded by Councillor Brownoff: "That Bylaw No. 9378 be now passed."

CARRIED

1110-30
CRD Onsite
Sewage Systems
Service Parcel
Tax Bylaw

CRD ONSITE SEWAGE SYSTEMS SERVICE PARCEL TAX AMENDMENT BYLAW

Three Readings of "CRD Onsite Sewage Systems Service Parcel Tax Bylaw, 2008, Amendment Bylaw, 2016, No. 9379". To establish the parcel tax rate for 2016.

MOVED by Councillor Plant and Seconded by Councillor Haynes: "That Bylaw No. 9379 be introduced and read."

CARRIED

MOVED by Councillor Plant and Seconded by Councillor Haynes: "That Bylaw No. 9379 be read a second time."

CARRIED

MOVED by Councillor Plant and Seconded by Councillor Haynes: "That Bylaw No. 9379 be now passed."

CARRIED

1110-30
Sewer Capital
Program Loan
Authorization

SEWER CAPITAL PROGRAM LOAN AUTHORIZATION BYLAW

Three Readings of "Sewer Capital Program Loan Authorization Bylaw, 2016, No. 9380". To authorize borrowing of a sum not exceeding \$1,500,000 for the construction of improvements to the sewer system in the Sewer Service Area.

Bylaw

**MOVED by Councillor Wergeland and Seconded by Councillor Brownoff:
“That Bylaw No. 9380 be introduced and read.”**

CARRIED

**MOVED by Councillor Wergeland and Seconded by Councillor Brownoff:
“That Bylaw No. 9380 be read a second time.”**

CARRIED

**MOVED by Councillor Wergeland and Seconded by Councillor Brownoff:
“That Bylaw No. 9380 be now passed.”**

CARRIED

1110-30
Storm Drainage
Capital Program
Loan Authorization
Bylaw

STORM DRAINAGE CAPITAL PROGRAM LOAN AUTHORIZATION BYLAW
Three Readings of “Storm Drainage Capital Program Loan Authorization Bylaw, 2016, No. 9381”. To authorize borrowing of a sum not exceeding \$1,500,000 for the construction of improvements to the storm drainage system.

**MOVED by Councillor Haynes and Seconded by Councillor Brownoff:
“That Bylaw No. 9381 be introduced and read.”**

CARRIED

**MOVED by Councillor Haynes and Seconded by Councillor Brownoff:
“That Bylaw No. 9381 be read a second time.”**

CARRIED

**MOVED by Councillor Haynes and Seconded by Councillor Brownoff:
“That Bylaw No. 9381 be now passed.”**

CARRIED

1110-30
Transportation
Capital Projects
Loan Authorization
Bylaw

TRANSPORTATION CAPITAL PROJECTS LOAN AUTHORIZATION BYLAW
Three Readings of “Transportation Capital Projects Loan Authorization Bylaw, 2016, No. 9382”. To authorize borrowing of a sum not exceeding \$2,000,000 for the construction of improvements to transportation infrastructure.

**MOVED by Councillor Wergeland and Seconded by Councillor Sanders:
“That Bylaw No. 9382 be introduced and read.”**

CARRIED

**MOVED by Councillor Wergeland and Seconded by Councillor Sanders:
“That Bylaw No. 9382 be read a second time.”**

CARRIED

**MOVED by Councillor Wergeland and Seconded by Councillor Sanders:
“That Bylaw No. 9382 be now passed.”**

CARRIED

1110-30

Parks Capital
Projects Loan
Authorization
Bylaw

PARKS CAPITAL PROJECTS LOAN AUTHORIZATION BYLAW

Three Readings of the "Parks Capital Projects Loan Authorization Bylaw, 2016, No. 9383". To authorize borrowing of a sum not exceeding \$1,300,000 for the construction of improvements to the parks infrastructure.

MOVED by Councillor Haynes and Seconded by Councillor Brice: "That Bylaw No. 9383 be introduced and read."

CARRIED

MOVED by Councillor Haynes and Seconded by Councillor Brice: "That Bylaw No. 9383 be read a second time."

CARRIED

MOVED by Councillor Haynes and Seconded by Councillor Brice: "That Bylaw No. 9383 be now passed."

CARRIED

1110-30

Community
Facility Capital
Projects Loan
Authorization
Bylaw

COMMUNITY FACILITIES CAPITAL PROJECTS LOAN AUTHORIZATION BYLAW

Three Readings of "Community Facilities Capital Projects Loan Authorization Bylaw, 2016, No. 9384". To authorize borrowing of a sum not exceeding \$195,800 for the construction of improvements to community facilities.

MOVED by Councillor Brice and Seconded by Councillor Haynes: "That Bylaw No. 9384 be introduced and read."

CARRIED

MOVED by Councillor Brice and Seconded by Councillor Haynes: "That Bylaw No. 9384 be read a second time."

CARRIED

MOVED by Councillor Brice and Seconded by Councillor Haynes: "That Bylaw No. 9384 be now passed."

CARRIED

1110-30

Gordon Head
Recreation Centre
Loan Authorization
Bylaw

GORDON HEAD RECREATION CENTRE LOAN AUTHORIZATION BYLAW

Three Readings of "Gordon Head Recreation Centre Loan Authorization Bylaw, 2016, No. 9386". To authorize borrowing of a sum not exceeding \$836,630 for the Gordon Head Recreation Centre boiler replacement.

MOVED by Councillor Brice and Seconded by Councillor Wergeland: "That Bylaw No. 9386 be introduced and read."

CARRIED

MOVED by Councillor Brice and Seconded by Councillor Wergeland: "That Bylaw No. 9386 be read a second time."

CARRIED

**MOVED by Councillor Brice and Seconded by Councillor Wergeland:
“That Bylaw No. 9386 be now passed.”**

CARRIED

1410-20
Reports from
Committees

REPORTS FROM SAANICH ADVISORY COMMITTEE CHAIRS

Council members provided updates on the various Saanich Advisory Committees they Chair.

Adjournment

On a motion from Councillor Brice, the meeting adjourned at 8:00 pm.

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ACTING MAYOR

I hereby certify these Minutes are accurate.

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DEPUTY MUNICIPAL CLERK

DISTRICT OF SAANICH
MINUTES OF THE COMMITTEE OF THE WHOLE MEETING
HELD IN THE COUNCIL CHAMBERS
SAANICH MUNICIPAL HALL, 770 VERNON AVENUE
MONDAY, MAY 2, 2016 AT 8:05 PM

Present:

Chair: Acting Mayor Derman
Council: Councillors Brice, Brownoff, Haynes, Murdock, Plant, Sanders and Wergeland
Staff: Paul Thorkelsson, Chief Administrative Officer; Sharon Hvozdanski, Director of Planning; Harley Machielse, Director of Engineering; Donna Dupas, Legislative Manager; Sharon Froud, Deputy Legislative Manager; and Lynn Merry, Senior Committee Clerk

2870-30
Enterprise
Crescent

761 ENTERPRISE CRESCENT – REZONING AND DEVELOPMENT PERMIT AMENDMENT

Report of the Director of Planning dated April 18, 2016 recommending that Council amend the Zoning Bylaw to add a new M-3B/D (Industrial Park Brewery/Distillery) zone, rezone the property from M-3 (Industrial Park) zone to the new M-3B/D zone, and approve Development Permit Amendment DPA00860 to permit assembly and retail sales for a proposed brewery/distillery. Variances are requested for signage and parking.

In response to questions from Council, the Director of Planning stated:
- The Ministry of Transportation and Infrastructure has requested that consideration be given to the illumination of the sign so it would not be a distraction for motorists using the Patricia Bay Highway.
- Council could limit the hours of operation for the distillery.

In response to questions from Council, the Director of Engineering stated:

- The classification of roadway in this area would not have been identified for consideration of a sidewalk; as there is a shift to more pedestrian-oriented communities, there may be a need for re-consideration of the construction of sidewalks.
- There is a high demand for on-street parking for staff working in this area; complaints have been received in the past from residents in relation to overflow parking on residential streets.

APPLICANT:

G. Macaloney, President, Victoria Caledonia Distillery, presented and highlighted:

- Victoria Caledonia Distillery is a privately-owned boutique distillery producing single malt whiskeys and craft beers.
- \$2.4 million dollars was received from the Federal Government; the total investment in Saanich is between \$5-\$6 million dollars.
- Current zoning permits brewing and distilling and sales of products made on site; the word "liquor" is not included in the Zoning Bylaw.
- The distillery would attract tourists that are on their way to the peninsula.
- The Zoning Bylaw requires a total of 39 parking stalls; a variance is requested to reduce the number of parking stalls to 25.
- One bus parking space is proposed on-site as the majority of tourists attending will be coming by tour bus.
- There are two parking lots on-site; a variance is requested for an additional sign to announce the second parking lot.
- In order to attract tourists, it is the intention to offer guided tours of the production facility and on-site product tasting and retail sales.
- The signage would be back lit and meet the requirements of the Sign Bylaw.
- Consultation took place with the Royal Oak Community Association (ROCA) and adjacent businesses and neighbours; it would be valuable to bring tourists into the community and would have a positive impact on other businesses
- The majority of tourists will arrive by bus and typically on weekends; Tourism Victoria has advised that tourism exit surveys have shown that there are limited tourist attractions available locally after 5 p.m.; allowing the distillery to stay open until 10:00 p.m. would capture the tourism business in the evening.
- Engagement of the local community in the distillery is also important.
- The products will be exported to over 30 countries; the business is eco-friendly and uses natural ingredients; the bi-products are recycled by local farmers to feed livestock.
- The distillery will revitalize the ROCA area and will be an anchor for future tourism opportunities.

In response to questions from Council, the applicant stated:

- There is no additional odour from a distillery beyond what typically comes from a brewery.
- Only their own products and items that are branded by the business will be sold.
- Craft beer enthusiasts have a different flavour profile; therefore the distillery should not be in competition with local liquor stores.
- Other businesses in the community could tap into the tourism market that the distillery would bring to the neighbourhood.
- The business would be open until 10:00 p.m. during the tourism season with the last tour starting at approximately 8:30 p.m.; hours of operations during the off season would be assessed.
- Approximately 12 businesses and over 60 residents were consulted with

positive responses.

- Staff will park on-site; if there is a need, additional parking could be leased from a business in the neighbourhood.

PUBLIC INPUT:

S. MacPhee, McLellan Street, stated:

- A distillery tour is a fun option for tourists and visiting family and friends; approval of the application will allow the distillery to offer tours and tastings.

R. Glen, Margot Place, stated:

- Craft beers have come a long way over the years; visitors have advised that a distillery would be a good addition for tourism.
- The products will be exported bringing recognition to Saanich.
- He looks forward to visiting the distillery and tasting the products.

R. Evans, Estalline Road, stated:

- There is a market for whiskey tasting; he supports the endeavour.

C. Martin, Austin Avenue, stated:

- It will be enjoyable to be able to taste local whiskeys and craft beer; the added volume of people coming to the neighbourhood will benefit local businesses.

M. Boyle, Totem Lane, stated:

- This is the kind of product that will get consumers excited.
- This is an opportunity for Saanich to be recognized for whiskey tasting; there is an untapped market of tourists that will visit the distillery.
- Other businesses in Saanich will also benefit from the addition of the distillery.

P. Whitworth, on behalf of the Royal Oak Community Association (ROCA), stated:

- ROCA supports the application in principle; the distillery could be an anchor for the tourist market in Saanich.

D. Adams, Carolwood Drive, stated:

- A distillery will make Saanich a tourist destination; it will not serve food, therefore other restaurant businesses in the area would benefit.

J. Jansen, General Manager, Wilson's Transportation Limited, stated:

- Wineries and the Sidney Night Market have been attractions for visitors to Victoria; the element of tasting and then buying the product is integral to the success of the distillery.
- The label with "Made in Saanich" would promote the area internationally.
- Whiskey tasting is growing in appeal to tourists and local residents.

K. Whitworth, Viewmont Road, stated:

- She wishes the applicant success but questions if the hours of operation would change for the potential of hosting weddings in the distillery; she also questions if the Police Department has any comments in relation to the application.

P. Brewer, Lindsay Street, stated:

- The opportunity to purchase locally-made craft beer and whiskey is appreciated; Victoria and Saanich are globally known as having many whiskey enthusiasts.

COUNCIL DELIBERATIONS:

In response to questions, the applicant stated:

- The number of allowable guests for a wedding would be limited to 60 people because of the number of washrooms available
- He does not expect to get many requests to hold weddings at the distillery given the limitations on the number of guests; on those occasions, the music could cease at 10:30 p.m.
- Community and corporate events would be encouraged.

In response to a question from Council, the Director of Planning stated:

- Council could consider weddings as a permitted use; under the current proposal, the business could remain open until 10:00 p.m.
- If Council decided that the hours of operation be extended, it could be captured in the Zoning Bylaw amendment.

In response to questions, the applicant stated:

- The more people who attend, the more exposure the business gets; the latitude to conduct occasional events extending past 10:00 p.m. would be appreciated.
- Any music or serving of alcohol would be concluded by 10:30 p.m.; it would be expected that guests would be off premises by 11:30 p.m.
- Although no formal discussions have taken place with the Police Department, staff would adhere to Serving it Right legislation; police would be engaged if necessary.
- The business includes production that operates on a 24 hour, 7 days a week basis; the physical presence of staff may alleviate recent concerns with security in the area.
- An alarm system will be installed; he will meet with the Police Department before the Public Hearing to address any concerns.
- Craft beer is a fresh product therefore there is a need for refrigeration; the proposed lounge area could accommodate up to 60 people with an additional twelve seats available in the retail/bar area.
- As business increases, there may be the need to re-assess the design of the seating area.

Motion:

MOVED by Councillor Brice and Seconded by Councillor Haynes: "That a Public Hearing be called to further consider the rezoning application on Lot 1, Section 8B, Lake District, Plan 33271, Except Part in Plan 34703 (761 Enterprise Crescent); and that the proposed bylaw be amended to include provisions for occasional functions such as weddings, provided the use does not extend beyond midnight."

Councillor Wergeland stated:

- He is concerned that the distillery may be in direct competition with other local businesses.
- This is a new establishment; the provision for holding weddings in the distillery could be reviewed in a year once the benefits and impacts on the community are reviewed.

Councillor Plant stated:

- Further discussions should take place after the business has been in operation for a period of time in relation to allowing occasional events such as weddings.

Councillor Brice stated:

- The facility is in an industrial park; there are other uses that could take place on the property that would have more impact on neighbours.

Councillor Haynes stated:

- The applicant has requested occasional use for events such as weddings.
- The business brings a world-class product to Saanich.
- The owners' reputation rests on the performance of their business; they would not risk their reputation by allowing disorderly types of events.

Councillor Murdock stated:

- Neighbours will have the opportunity to provide feedback on the hours of operation at the Public Hearing; there are key tourist destinations in Saanich and the distillery would be an impressive addition.

Councillor Brownoff stated:

- There are a number of tourist destinations in Saanich.
- If residents express concern at the Public Hearing in relation to the hours of operation, it can be addressed by Council.
- Noise while people are leaving an event is a concern; she is pleased that the owner has a contingency plan if additional parking is needed.

Councillor Sanders stated:

- If residents are concerned with the hours of operation, they can provide input at the Public Hearing.

Councillor Wergeland stated:

- Bringing business to Saanich is appreciated; he is concerned that the types of community events that may be held in the distillery were not specified.

Councillor Derman stated:

- This is an excellent opportunity for the applicant and for Saanich, but the extension of the hours of operation to 10:30 p.m. is not supportable.
- Public consultation has taken place but he is not satisfied that residents would be aware of the potential changes to the hours of operation.

The Motion was then Put and CARRIED with Councillors Derman, Plant and Wergeland OPPOSED

Adjournment On a motion from Councillor Brownoff, the meeting adjourned at 9:22 p.m.

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CHAIR

I hereby certify these Minutes are accurate

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DEPUTY MUNICIPAL CLERK