SMALL BUSINESS SERIES:

Opening a Microbrewery

Your **success** is our **business**



What's on tap?



brew-er-y: a building or establishment for brewing beer or other malt liquor

Thinking of opening a **microbrewery** in Edmonton?

This guide will help to understand the municipal permits and licensing processes.

Breweries are highly regulated



There are also federal & provincial regulations.

- Federal regulations
- <u>Provincial regulations</u>

Connect with Industry Advisors

- Alberta Small Brewers Association
- Alberta Agriculture and Rural Development's New Ventures Team



Distilleries are different!



Distillery

a building or establishment where distilling, especially the distilling of liquors, is done

→ There are different regulations because of the high ethanol concentrations.



Discuss this with the building owner, and the registered engineering and architecture professionals that will be involved.



Contact the **building permit office** before developing a plan.



Contact Safety Codes Council.



Use of a building or space as a distillery is a **Group F, Division 1 high-hazard occupancy classification**.





Talk to us before signing a lease. Zoning and development permit information will help to make an informed decision about the location, and how long it will take to get land use approval. We **highly recommend getting legal advice** to build protections into the lease if the development application is not approved.



Hire professionals. The cost of architect and engineers is often much less than the cost of delays in opening due to construction errors which cause permit delays.





Hire a qualified contractor. They have the best understanding of how to build the design. Again, this will save time and money in the long run.



The designer or contractor applies for the building and trade permits.

They should understand permitting requirements and steps.



Talk regularly with your contractor or designer. Many factors impact timelines: quality of submission, application processing, construction time, inspections, tests and verifications, occupancy inspection, and so on. The contractor and designer will have the best overview of the project status.



Business Plan

A **good business plan** not only helps entrepreneurs focus on the specific steps necessary to make business ideas succeed, but it also helps to achieve short-term and long-term objectives. There is support available to complete a business plan and guidance through the overall startup process.

- <u>The Business Link</u> can help with choosing a business structure, financing a business, leasing considerations, and referrals for professional services such as legal and accounting advice.
- **Blog post**: Thinking of Starting A Microbrewery

Opening a brewery will require permits from the City of Edmonton, as well as renovations to meet the building code requirements.

This type of commercial development project is complex and will **require professional support**.





Business Licence
Application

Zoning Approval

Building Permit Review Inspections & Occupancy Permit

Referrals

Business Licence Granted

Important considerations for your project include:



RESTAURANT?

- → Are you adding a restaurant to your brewery?
- → What kind of food is prepared onsite?



HOW MANY PEOPLE?

- → How big is the area that is open to the public (public space)?
- → How many people do you plan to allow?
- → Do you plan operate as a facility for gatherings on a temporary basis?



PATIO?

- → Are you adding a patio?
- → Is the patio on your private property, or on City of Edmonton Road Right of Way, for example public sidewalks?



MINORS?

- → Does your business allow minors at all times or will part or all of your service times be for adults only?
- → If there are adult-only service times, when will that be?

Edmonton

A business licence can have multiple categories. The customer pays the most expensive category (tier) only.

Give Yourself Time:

- → fully investigate the location
- → consider common manufacturing needs for the building such as loading docks, roll-up doors, floor drains, and proper ventilation
- → power or water services may require upgrading, which may impact timelines
- → obtain all of the permits and licences you may need to open

Remember:



Every business is different. **Timelines can vary** depending on the completeness, correctness, and complexity of the application.



When asked for more information, respond completely and quickly to keep the review process moving.



Making changes to the permit applications (including site drawings) will add extra time to this process.

Inspections & Occupancy Permit

Referrals

Business Licence Granted



Contact

We are here to help!

There are many supports available to help scope out the project, identify the permits needed and the submission requirements, what aspects of the project require professional involvement, and the costs and timelines associated with the permit process.



1:1 Business Support

Overall process map, permit information, and pathfinding to appropriate technical areas (no cost)



Service Centre

30-minute appointment, virtual or in person (Development Officer and Safety Codes Officer) (no cost)



Pre-Application Meeting

Formal arrangement, Development Permit discussions, in-depth CoE review (\$460)



Business Licence

What is a business licence and why do I need it?

A business licence ensures a business follows the City's rules and regulations. It also indicates that your business complies with fire, health and building regulations.

Apply for a business licence

Nearly every person or company that conducts business in Edmonton is required to have a business licence. Apply for your business licence first, even though the licence is not granted until the end. Once you apply for your business licence, the City will tell you what approvals and permits you require.

What other approvals are required before a business licence?

In addition to development and building approval, a one-time high-risk fire inspection is required.



Business Licence

If **minors will be prohibited** from any part of your microbrewery at any time:



review the <u>Minors Prohibited and Minors Allowed categories</u>, including definitions under Schedule A, application requirements under Schedule B, and operating requirements



you will need to supply police information checks from the **Edmonton Police Service** for all involved business owners and managers and a completed **operational plan** for review o this **DOES NOT** apply to non-resident directors, silent partners, or volunteer directors



these documents will be reviewed by the **Public Safety Compliance Team**

Your business licence will have **all** the licence categories that apply. The City will determine this.



Prohibited)

Business Licence

Tier 3 Health Enhancement Centre (Accredited) Alcohol Sales (Consumption Off-Premises) Health Enhancement Centre (Accredited / Alcohol Sales (Consumption On-Premises / Minors Independent) Allowed) Hotel / Motel Amusement establishmen Independent Laboratory Animal Breeding and Boarding Facility Industrial Equipment Sales, Rental, and Repair Auction Light Duty Repair Service Bingo / Casino Manufacturer Cannabis Retail Sales Participant Recreation Service Carnival / Amusement Park Personal Service Commercial School Residential Pental Accommodation (Long-Term) Construction, Contracting, and Labour Service Restaurant or Food Service Delivery and Logistic Service Retail Sales (Iviajor) **Event Production** Retail Sales (Minor) **Exhibition Hall** Scrap Metal Dealer and Recycler Financial Service Spectator Entertainment Firearm and Ammunition Sales, Service, and **Tobacco and Vaping Product Sales** Manufacturing Vehicle Repair, Maintenance, and Modification Food Processing / Catering Service Vehicle Sales and Rental Funeral, Cremation, and Cemetery Service Vehicle Wash / Fueling Station General Business Wholesale, Warehouse, and Storage Tier 5 After Hours Dance Club Body Rub Centre Alcohol Sales (Consumption On-Premises / Minors



Business Licence

Type of Business Category	1 Year Licence Fee	1 Year Renewal Fee*	2 Year Licence Fee	2 Year Renewal Fee
Tier 1	\$60	\$50	\$110	\$100
Tier 2	\$95	\$85	\$180	\$165
Tier 3	\$255	\$230	\$490	\$440
Tier 4	\$540	\$485	\$1,020	\$920
Tier 5	\$685	\$620	\$1,305	\$1,175

Tier 5 only applies if Minors are prohibited



Business Licence

Are there other agencies that need to be involved?

The City notifies <u>Alberta Gaming, Liquor, and Cannabis</u> (AGLC) and <u>Alberta Health Services</u> (AHS) of your application for a business licence. They have their own permit and licensing requirements for food and beverage businesses, including breweries.

Please contact them for information.

- AGLC: 780-447-8600 or 1-800-272-8876
- AHS: 310-0000

Contact AGLC as soon as you apply for your business licence. AGLC has <u>several licensing</u> <u>requirements</u>, including the City of Edmonton business licence.

• A condition of receiving your AGLC licence is having approval from the municipality.



Know Your Location

Zoning Approval

The first step in opening a brewery is to make sure the location is in the appropriate zone. Do this before making financial commitments on the space, such as signing a lease. Every business needs **zoning approval** to operate.

What is a zone, and why is it important to have zoning approval?

Edmonton is divided into zones through the **Zoning Bylaw**, and every property is in a zone. A zone tells you what you can build and how you can *use* a property. To open your brewery, you will need to be in a zone that **permits the use of breweries**.

How do I know if my microbrewery is allowed in a zone?

Each zone in the City identifies a list of permitted and discretionary uses. To open a brewery, the zone must include "Breweries, Wineries and Distilleries" as a permitted use. Even if a brewery is listed as permitted, you are still required to get permission from the City.



Know Your Location

Can I check on my zoning before I start the City application process?

Definitely, and we recommend this. Once you have identified a preferred location, investigate by visiting maps.edmonton.ca or by contacting the Edmonton Service Centre and speaking with a Development Officer at developmentpermits@edmonton.ca.

Permitted Zones

Custom Manufacturing

There are specific regulations for breweries.

For example, breweries are only allowed to have 80m2 of space for customers. If you want a larger public space, discuss options with a Development Officer.





Know Your Location

Keep in mind:

- 1
- Any exterior storage or service areas (grain storage, loading and shipping for example) must be thought out and included in your application.
- 1

Are you planning a patio? Plan for it from the beginning stages. Add the patio drawing plans to your initial proposal. Special permits are required, and the area is included in the maximum public space.

1

Be sure to complete application forms fully, providing all appropriate documentation (eg., plans, building information).



Review begins when the application is **deemed complete**.



Know Your Building

The safety codes review begins after the development (zoning) approval is complete.

What is a building permit, and why is it important?

The building permit is an audit of plans and construction work so the business space is safe, accessible to all, and meets standards of the Alberta Safety Codes. The building permit is your official "go-ahead" to start construction or renovation.

Generally, only maintenance or like-for-like replacement of materials, such as interior painting or installing new flooring, may be done without a building permit.

To construct a microbrewery, you will also need HVAC, plumbing, gas, and electrical permits. These are applied together with the building permit. Permits are managed by the permit applicant through a dashboard created for the project and accessed at www.selfserve.edmonton.ca.



Know Your Building

Drawings, essential for permit review and construction, can be a challenging part of a project. Professional-stamped plans and specifications, and <u>schedules of professional involvement</u>, are often required based on the complexity of the work.

Common stumbling blocks in design and construction include:

- washroom and barrier-free requirements
- mezzanines, public corridors
- exits/exit signs/emergency lighting
- accommodating occupancy in the rest of the building during brewery construction

Resources:

Permit Home Page

There are typically special requirements for:

- ventilation (e.g., carbon dioxide monitoring)
- solids interceptors (e.g., drains)
- electrical protection (e.g., milling room)

We strongly recommend architectural and engineering involvement for any microbrewery project.

Changes to Existing Buildings and Sites



Health and safety is good business. A commitment to health and safety is one of the best ways for a craft brewery to protect its greatest resource - its people.

Breweries can be a hazardous place to work. Hazards include: cleaning chemicals, gases such as oxygen and CO², heated vessels for mashing and boiling wort, and moving machinery parts.

To mitigate such risks, the following provides basic information for design reference only. Codes are subject to change and additional requirements may apply.



The ventilation system is designed to maintain acceptable indoor air quality (which includes CO² levels) as described in ASHRAE 62-**2001 (except Addendum n)** (please note it is the edition of ASHRAE 62.1 that is referenced in NBC 2019-AE)

Step 1

The following items are to be considered:

- What level of air filtration will be necessary?
- Can the air be recirculated or does it need to be exhausted to the atmosphere?
- What are the exhaust needs for current and future equipment?
- What are the exhaust needs for contaminants within the space?
- What temperature, humidity and contaminate levels are desired/acceptable, and how will this be controlled?

The air can be shared between the Brewery and other spaces, if they are used for the same or similar purpose or task and involving the same or similar contaminant.



Step 2

Shop drawing of all brewing and milling equipment to be marked as reviewed by the Mechanical Engineer of Record and uploaded to the permit application.

Step 3

Operational procedure for that brewing and milling equipment to be marked as reviewed by the Mechanical Engineer of Record and uploaded to the permit application.





Step 4

If there is on-site milling* equipment, then all equipment, enclosure, ventilation and fire suppression must be detailed in the plans and submission. Milling space will be determined for combustibility or explosibility to meet NBC 2019 (AE) reference to NFPA 61-2017 or equivalent.

*Milling is the physical act of crushing malt kernels into smaller particles in preparation for the next stages of the brewing process: mashing and lautering

Step 5

Cooking operations in any restaurant or tasting area must comply with NBC 2019 (AE) and referenced documents.

HVAC outdoor air/ventilation must be provided as per ASHRAE 62-2001 (except Addendum n).



Applying for Permits

Step 1

A **designer or prime contractor** applies for the building permit and associated trades permits **online**:

- submit plans and specifications, i.e., drawings, documents and details;
- completes online form and pay permits fees.

Permits fees are based on the construction value of the work, including processing of the building permit, trades permits, and sets of mandatory inspections.

Step 2

Construction can begin **after applicable permits are issued**.

- available upon request is selective interior demolition permission for limited interior deconstruction work while the main building permit is being processed.
- design changes after permit is issued require <u>revision request</u> **approval** from the building permit office.



Applying for Permits

Step 3

Work will be inspected by various safety codes officers at benchmark stages throughout the project. The permit holder requests inspections on the **project dashboard**.

Step 4

Upon successful final building inspection, an **occupancy permit** will be issued. This also confirms the **maximum number** of people allowed on the premises at any time.

Even if no construction happens, you may still need to have your site inspected. This is prompted by your business licence application.



Referrals

There are other agencies that are required to do inspections on most businesses, including Fire Rescue Services and Alberta Health Services. The City will refer your business to these agencies so they can complete their inspections.

Please note:

Fire Rescue Services may determine that an occupancy limit is lower than the building permit states, due to addition of furnishings and fixtures.

Final occupancy to be posted will be the lower number.







Business Licence Granted



Once you have completed these steps, the City will finalize your application and grant you a business licence.

Remember!

You must submit your business licence to AGLC in order to get a provincial liquor permit.







Contact us!

1:1 Business Support

• Overall process, permit information, and grants (no cost)