



November 14, 2022

Letter of Intent for Expansion, Permanent Patio and Change of Hours Application Ace Brewing Company Limited located at 150 Mansfield Drive, Courtenay B.C.

Thank you from the Ace Team for putting forward; expanding of business area, making our Temporary Patio permanent, and change of hours.

Ace Brewing Company located at 150 Mansfield Drive Courtenay, opened its doors September 13<sup>th</sup> 2019 with it's Manufacturing License and Lounge Appendix. Due to COVID, and with great disappointment, six months later we had to close our Lounge, laying off all our employees and only offer beer to go for two months. After reopening at half capacity, we were able to rehire some of our staff, open a temporary patio, at half capacity. In the Fall of 2020, we added a permanent patio at half capacity, then restrictions were put in place with no indoor dining, thankfully we had our patios or else we would have had to close our doors again and lay off all our employees. When restrictions loosened, we are at full capacity, since COVID is still very active, many patrons are more comfortable being distant from others seating outside on the patio, unfortunately the permanent patio only has a partial covering therefore space is limited when the weather miserable. We had never imagined that we want or need to expand our business, opening with a small but functional kitchen and as we thought we had more than enough tanks to produce our beer but here we are. We believe that COVID has changed many aspects of our business given people have different perspective on the why they conduct their lives. It has also given us the opportunity to have a good look at our Business Plan and see if there needs to be adjusts.

After lengthy conversation with our staff and listening to our patrons, we've decided to apply to expand our business footprint, we are currently using 3,623 sq ft our expansion would have us utilizing 4,719 sq ft. This will be done by taking over space from the business beside us, Care Auto. They asked if we were interested in doing so as they are not in need of the space they currently lease, and we are bursting at the seams. With our current space our productivity is limited, in the brew house area; we are at full capacity, especially the peak season of summer. During this time, we find it hard to keep up with supply, it limits not only the quantity but the variety of beer we have available and prohibits us gaining new wholesale accounts. We will add another cooler to store our canned products, the other will still be used for our serving tanks, kegs, and overstock of our non-alcoholic beverages. The office will be moved to beside the new kitchen and the old space will be opened allowing the addition of more tanks which will increase our productivity, we are planning on adding two additional 20 Hectolitre Bright Tanks and one 40 Hectolitre Fermenter Tank. As for our kitchen, the menu is small, not as diverse as it could be, we have many ideas but cannot execute as the current space won't allow us to. We are noted as having a small yet fresh food menu, with adding square footage this will allow us to move our kitchen into a larger area, add a fire suppression system, allowing us to expand our food menu immensely. We've spoken with VIHA and the Fire Inspector, and they both believe expanding our kitchen is the best solution of the obstacles our kitchen faces with its limited space. The space that used to house our kitchen would become additional women's washrooms which is needed for our capacity. In both areas we are having to turn away customers, wholesale, and retail, therefore losing revenue. With this expansion we will be able to increase our employees' hours and hire more employees.

The building we occupy was formally a car dealership, from the exterior it was very basic and not very attractive, an old, drab, rectangle building. The permanent patio has not only increased our capacity, increasing staffing hours, it also made our building more pleasing to look at, breaking up the shape of the building, giving

it an overall cleaner, more attractive exterior appearance. The new patio area will break up the open parking area, will add to the all-around look of the building and be more visually pleasant. If our temporary patio becomes permanent it too will be partially covered. The proposed patio will be South facing, extending into our large parking lot to the front of the Brewery, will be fully fenced, with Mountain views, surrounded with trees and shrubbery for an inviting, tranquil setting. Many of our patrons have asked if we are planning to make our temporary patio permanent, saying they love visiting the brewery because of the vast patio space and it would be more inviting if it was finished properly instead of being patio tables in a fenced area in the parking lot. We'd like to twin the patios to make an even greater visual appearance, more inviting and having this permanent patio will expand our capacity which will increase staff hours and employ more employees. If we no longer have our temporary patio, we will have limited patio space, won't be able to have as many patrons resulting in decreasing employee hours and possibly laying off key workers.

We are asking to amend our hours of operation to the following, Monday through Sunday 10:00am-1:00am. We are finding there are many days that customers think we are open earlier and come in to purchase beer and we must turn them away. We have been asked to open earlier by many of our regulars and tourists, especially in the summer and Christmas season. At this time, I don't see that we would be open at 10am daily but it would be beneficial for our business to be able to serve at an earlier time. Most importantly we have found that we have wanted to stay open later but have had to stop serving alcohol because of our licencing, we are finding that people are wanting to stay at the brewery later. We are having events regularly including Trivia, Comedy and Music, being noted for hosting these events, currently people attend but leave once they are finished and go else where, as we must stop serving alcohol. We also sponsor many sport teams which are being impacted as are some of our regulars with our limited hours, therefor we are losing business which affects our employee hours and shifts. Since COVID the dynamics of the Comox Valley has shifted with its establishments, there has been a few key businesses that were noted for being a place to go later in the evening and now they are now closed.

Since our opening we have been very involved within the community, hosting/taking part in fundraisers, collaborations to raise funds for charities, and donating to many local events. Our establishment has had no RCMP incidences, altercations, or complaints since it's opening. We aren't noted as being a rowdy establishment, our patrons are well behaved, and our staff are very diligent on maintaining an inviting space. Ace Brewing is noted in the community as a diverse and welcoming place to visit and if our hours are changed we will continue to ensure this. We've had the opportunity to welcome not only locals but people through out Vancouver Island, B.C., Canada, and other parts of the world, it is amazing to see the tourism Comox Valley attracts. We have collaborated and taken part in events and special events with CFB Comox, we are very honored to have this connection and have many regular customers who are current and retired military. With nearby Mt. Washington, The River Walkway, hiking/walking trails, oceanside, adding mild seasons and warm summers, Comox Valley is noted for its outdoor activities. We have many regulars who are avid outdoor sport enthusiasts who general like to be outdoors even while having a beverage and a meal. The Valley attracts people who enjoy being outdoors during every season throughout the year.

Parking at Ace Brewing Company is never a problem as we have vast parking available with currently 30 parking stalls adding an additional 6 spots in our parking lot with our expansion, staff parking is behind our building, and lots of street parking along Mansfield Drive.

From Servers, Sales, Kitchen staff, Managers, to our back of house staff including our Brew Master, Ace currently employs over 16 part-time, full-time and salary persons. With increasing our business space, ultimately increasing productivity, adding a new kitchen, and having the temporary patio permanent, we'll be increasing this number, giving employees another employment opportunity within the Valley.

We are very proud to be part of the Comox Valley Ale Trail which is a leg of the B.C. Ale Trail. The B.C. Ale Trail has recognized the Comox Valley, as being a destination for brewery enthusiasts to visit, with five breweries open in the Valley. There are many people who plan holidays and vacations around Brewery areas,

there is a huge Microbrewery following, which for the Island has been centered in Victoria, now the Valley with it's five Breweries is making that shift to Central Vancouver Island.

We hope you recognize the positive effect the expansion of our business area, addition of our patio and change of hours will have on our community of the Comox Valley and indorse our Applications.

Regards,

Jo-Anne Landolt

Owner/Manager.

