



**To:** Planning Committee  
**From:** Wayne Craig  
Director of Development

**Date:** September 14, 2015  
**File:** ZT 15-705936

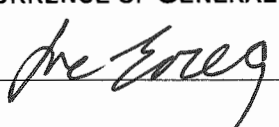
**Re:** **Application by Fuggles & Warlock Craftworks Ltd. for a Zoning Text Amendment to Permit a Microbrewery within the Industrial Business (IB1) Zone at 11220 Horseshoe Way**

**Staff Recommendation:**

1. That Richmond Zoning Bylaw 8500, Amendment Bylaw 9295, for a Zoning Text Amendment to create a new “Microbrewery, Winery and Distillery” use and amend the “Industrial Business (IB1)” zone to allow a “Microbrewery, Winery and Distillery” at 11220 Horseshoe Way, be introduced and given first reading; and
2. That Staff be directed to prepare a report and zoning bylaw amendment for future consideration by City Council to include the “Microbrewery, Winery and Distillery” use in specific commercial zoning districts.

  
Wayne Craig  
Director of Development

MM:blg  
Att.

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Business Licences Transportation	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	

## Staff Report

### Origin

Fuggles & Warlock Craftworks Ltd. has applied to the City of Richmond for a Zoning Text Amendment to the “Industrial Business (IB1)” zone to allow a microbrewery at 11220 Horseshoe Way (Attachment 1).

The 1,034 m<sup>2</sup> (11,130 ft<sup>2</sup>) microbrewery is proposed to be operated within one-half of a light industrial building. The proposed microbrewery will include a 879 m<sup>2</sup> (9,346 ft<sup>2</sup>) brewery, a 30 m<sup>2</sup> (323 ft<sup>2</sup>) retail store and potentially a 80 m<sup>2</sup> (861 ft<sup>2</sup>) interior lounge along with a 45 m<sup>2</sup> (484 ft<sup>2</sup>) outdoor patio lounge area.

The applicant has applied for a Building Permit for the brewery portion of the business as permitted under the current “Industrial Business (IB1)” zone and received a “manufacturer” licence from the *Liquor Control and Licensing Branch* (LCLB). The applicant has also applied to the LCLB for manufacturer “on-site store” and “lounge” license endorsements. Thus, the applicant is applying to amend the “Industrial Business (IB1)” zone to allow for the ancillary “on-site store” and “lounge” LCLB endorsements.

### Findings of Fact

A Development Application Data Sheet providing details about the development proposal is attached (Attachment 2).

### Surrounding Development

Surrounding development includes:

- To the North: Light industrial/office building zoned “Industrial Business (IB1)”.
- To the South: Light industrial/office building zoned “Industrial Business (IB1)”.
- To the East: Light industrial/office building zoned “Industrial Business (IB1)”.
- To the West: Across Horseshoe Way, Light industrial/ office building zoned “Industrial Business (IB1)”.

### Background

In March 2013, the Provincial Government amended the *Liquor Control and Licensing Act* regulations for manufacturer licenses.

The amendments aligned the regulations for brewers and distillers with wineries who have had these endorsements for several years. Manufacturer licence endorsements now include:

- on-site store
- lounge
- special event area
- tour area
- picnic area

The subject application is the first proposed brewery in Richmond to apply for the new “lounge” and “on-site store” endorsements to a manufacturer licence. Within the “on-site store”, the LCLB permits only sale of the manufacturer’s own alcohol produced on-site and related non-liquor products (e.g. mugs, promotional T-shirts, etc.). Unlike stand-alone liquor serving lounges currently permitted under the “liquor primary, establishment” use within City Zoning Bylaw 8500, the LCLB requires that a lounge associated with a manufacturing license must be ancillary to a liquor manufacturing operation and serve liquor manufactured within that operation with only twenty (20) percent liquor sales coming from other manufacturers per quarter.

### **Related Policies & Studies**

#### **Official Community Plan/Shellmont Area Plan**

The Official Community Plan (OCP) designates the subject site as “Mixed Employment”. The currently allowed brewery use and proposed ancillary lounge and store uses are consistent with the “Mixed Employment” designation.

The Shellmont Area Plan does not include specific land uses designations affected by the proposed application.

#### **Zoning Bylaw**

##### Proposed Zoning Text Amendment

Currently, alcohol manufactures are permitted under the “industrial, general” use within the “Industrial Business (IB1)” zone.

Given that the changes to the LCLB regulations involve ancillary uses that have previously not been associated with alcohol manufacturing, the proposed zoning amendment creates a new defined use, “Microbrewery, Winery and Distillery”, as follows:

*“Microbrewery, Winery and Distillery means a premises, licensed under the Liquor Control and Licensing Act, on which there is manufacturing of beer, ale, cider, wine or spirits for sale to business customers and shall include ancillary retail sale of these liquor products and related non-liquor products to the public within the manufacturer’s store and lounge provided that their combined floor area and any outdoor lounge patio area do not exceed the manufacturing floor area.”*

The proposed “Microbrewery, Winery and Distillery” use includes the two (2) main LCLB endorsements for “on-site store” and “lounge” that differentiate microbreweries from standalone liquor manufacturing operations.

The proposed “Microbrewery, Winery and Distillery” use will also require that any proposed brewery occupy more than half of the total floor area of the premises. This zoning provision is consistent with the intent of a brewery as the primary use permitted under a LCLB manufacturer license.

The subject zoning amendment, if adopted, would allow the proposed “on-site store” to be permitted along with the currently permitted brewery while further public and Council comment would be required prior to LCLB granting a “lounge” endorsement, as discussed below.

#### LCLB and City Business Licence Process

The applicant has already submitted the LCLB manufacturer “lounge” and “on-site store” endorsement applications. The LCLB requires a written declaration from the applicant that the “on-site store” is permitted under local zoning and can ask for local government confirmation that the store allowed its zoning. The “lounge” endorsement application will be referred by LCLB to the City for comment.

If the proposed rezoning is adopted by Council, the City will require that the applicant undertake public consultation on the LCLB lounge endorsement application in accordance with Development Application Fees Bylaw 8951. This bylaw requires that the applicant and City undertake public consultation in regards to liquor license applications where liquor is proposed to be served to the public. This consultation includes installing a sign on the property and publishing a notice in three (3) consecutive editions of a weekly local paper. By practice, the City also requires that notices be mailed to residents and owners of properties within 50 m (164 ft.) of the property. The results of this public consultation would be reviewed by staff and forwarded to Council for consideration in providing comments to the LCLB on the lounge endorsement.

If the LCLB approves the license endorsement application for the “lounge” after receiving City Council comments, the applicant would then apply for a City business license for the additional lounge use.

#### Other Zoning Text Amendments

Two (2) other microbrewery Zoning Text Amendment applications have been received for zones that include “industrial, general” use. Further applications may be expected, given the recent trend towards new microbreweries and distilleries built in other communities in the Lower Mainland.

To address future proposals for alcohol manufacturers with lounges and/or on-site stores, two (2) possible options are provided for consideration.

*Option 1: Site-By-Site Rezoning Applications (Not Recommended)*

The first option is to consider each proposal through individual, site-specific zoning amendment applications to permit the “Microbrewery, Winery and Distillery” use on a case-by-case basis. Each applicant would be required to proceed through the City’s rezoning process which involves the following steps:

- Rezoning signage is placed on the property.
- The specific rezoning proposal is reviewed by staff.
- A Staff Report is prepared for Planning Committee consideration.
- A Public Hearing is held with newspaper advertisements and notices mailed to property owners and residents within a 50m (164 ft.) radius of the property.

Should an site-specific zoning amendment bylaw be adopted by Council, the applicant will then proceed to undertake the above-noted City Council and public consultation for the LCLB “lounge” licence endorsement.

*Option 2: Permit “Microbrewery, Winery and Distillery” in Specific Zones (Recommended)*

The second option is to consider adding the “Microbrewery, Winery and Distillery” use to a number of specific existing zones where liquor service is currently allowed. If the “Microbrewery, Winery and Distillery” use is permitted in the zones as outlined below, the applicant for LCLB “lounge” or “on-site store” license endorsements would be required to confirm to LCLB that the zoning permits these uses.

City Business Licencing would require that a “lounge” application proceed through the above-noted liquor licensing public consultation process. This includes on-site notice signage, newspaper advertisements, a mailed notice to neighbours and a Staff Report for Council consideration for providing comments to LCLB.

It is recommended that Option 2 be pursued given that:

- The “on-site store” is permitted only as an ancillary use to alcohol manufacturing under the proposed “Microbrewery, Winery and Distillery” use and the store may only sell alcohol produced on-site as regulated by the LCLB.
- Liquor service is allowed within the “liquor primary establishment” use under the City’s zoning bylaw within a number of zones in commercial and mixed-use areas throughout the City. Public and Council consultation is required for liquor service establishments through the LCLB licensing process as required by Development Application Fees Bylaw 8951. This public consultation process ensures that Council and the public have input into whether any proposed “Microbrewery, Winery and Distillery” with a lounge is appropriate prior to LCLB licensing.

Given the above, the proposed “Microbrewery, Winery and Distillery” use is suggested to be considered for inclusion in the zones that already include the “liquor primary establishment”.

Thus, the following standard mixed-use and commercial zones and the site-specific “ZMU25” zone (applicable to the Pinnacle Capstan development) are recommended for consideration:

*Mixed-Use Zones*

- “Steveston Commercial (CS2; CS3)”
- “Downtown Commercial (CDT1, CDT2, CDT3)”

*Commercial Zones*

- “Auto-Oriented Commercial (CA)”
- “Entertainment & Athletics (CEA)”

*Site-Specific Zone*

- “Residential/Limited Commercial and Artist Residential Tenancy Studio Units (ZMU25) – Capstan Village (City Centre)”

Given the above, it is recommended that a Staff Report and Zoning Bylaw Amendment be prepared for future Planning Committee consideration on the above-noted potential zones where the proposed “Microbrewery, Winery and Distillery” use may be permitted.

Applications in other zoning districts would require site-specific rezoning applications. The consideration of site-specific rezoning applications would involve independent assessment of the proposed retail store and potential lounge. With each application, the Staff Report to City Council would provide an assessment and recommendation on the suitability of the retail function and on-site liquor service component.

### **Public Consultation**

The applicant has installed a Development Application sign facing Horseshoe Way and the public would be invited to a Public Hearing on the rezoning application if the application proceeds. No public comments have been received at this time.

There will also be additional public consultation on the “lounge” use after possible rezoning adoption on the LCLB process as discussed above.

### **Analysis**

#### **Built Form and Architectural Character**

The site is currently occupied by a concrete light industrial/office building with two (2) similar, side-by-side units. One (1) of the units contains the proposed 1,034 m<sup>2</sup> (11,130 ft<sup>2</sup>) microbrewery. Surface parking is located at the front and the rear of the building. There is also a grass and landscaped area separating the front parking lot from Horseshoe Way.

The exterior of the building and site are proposed to remain in their current state with the exception of a proposed small 45.5 m<sup>2</sup> (484 ft<sup>2</sup>) patio and new signage which will require a Sign Permit.

### **Transportation and Site Access**

The existing driveway from Horseshoe Way, surface parking lot and loading spaces for the existing building are to be maintained in their current state. The proposed microbrewery has been allotted 22 of 46 parking spaces and two (2) of the four (4) loading spaces on the site through a lease with the owner with the remaining spaces being allocated to the existing tenant. The parking and loading spaces are sufficient to meet the Zoning Bylaw's parking and loading requirements for the proposed microbrewery and the existing light industrial tenant in the remaining half of the building.

As part of this application, the applicant will need to:

- Provide a security to the City for the estimated value of the construction of a 1.5 m (5.0 ft.) wide paved walkway immediately behind the curb along Horseshoe Way to be built by the City at the developer's sole cost via a City Work Order.
- Provide one (1) exterior visitor bicycle Class 1 space/rack and one (1) interior Class 2 employee bicycle parking space.

### **Conclusion**

The proposed text amendment is to facilitate the addition of a lounge and on-site store to be included along within the brewery already permitted under the "Industrial Business (IB1)" zone. Staff supports the proposed Zoning Text Amendment given the limited size of the proposed brewery and store and lounge which will be consistent with the LCLB regulations. Also, it is recommended that a Staff Report and draft Zoning Bylaw Amendment be prepared for future Planning Committee consideration that include the above-noted zones in the City where the proposed "Microbrewery, Winery and Distillery" use may be considered.

It is recommended that Zoning Bylaw 8500, Amendment Bylaw 9295 be introduced and given first reading.



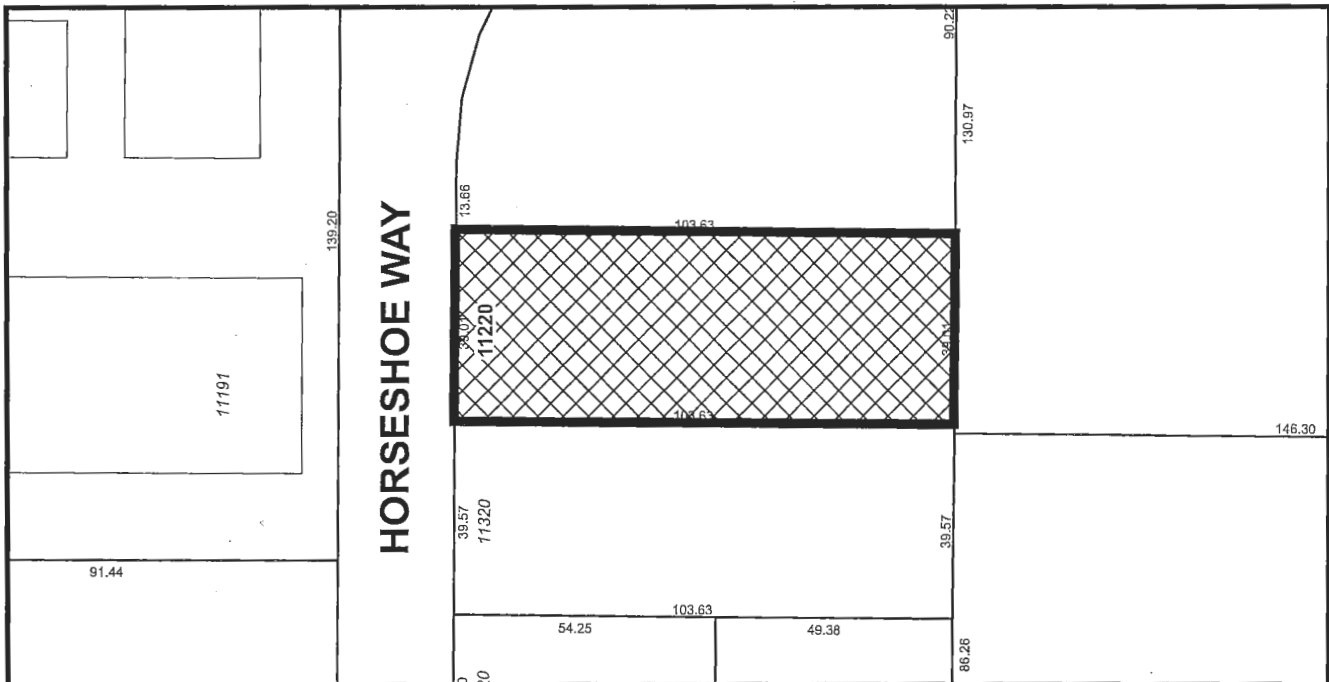
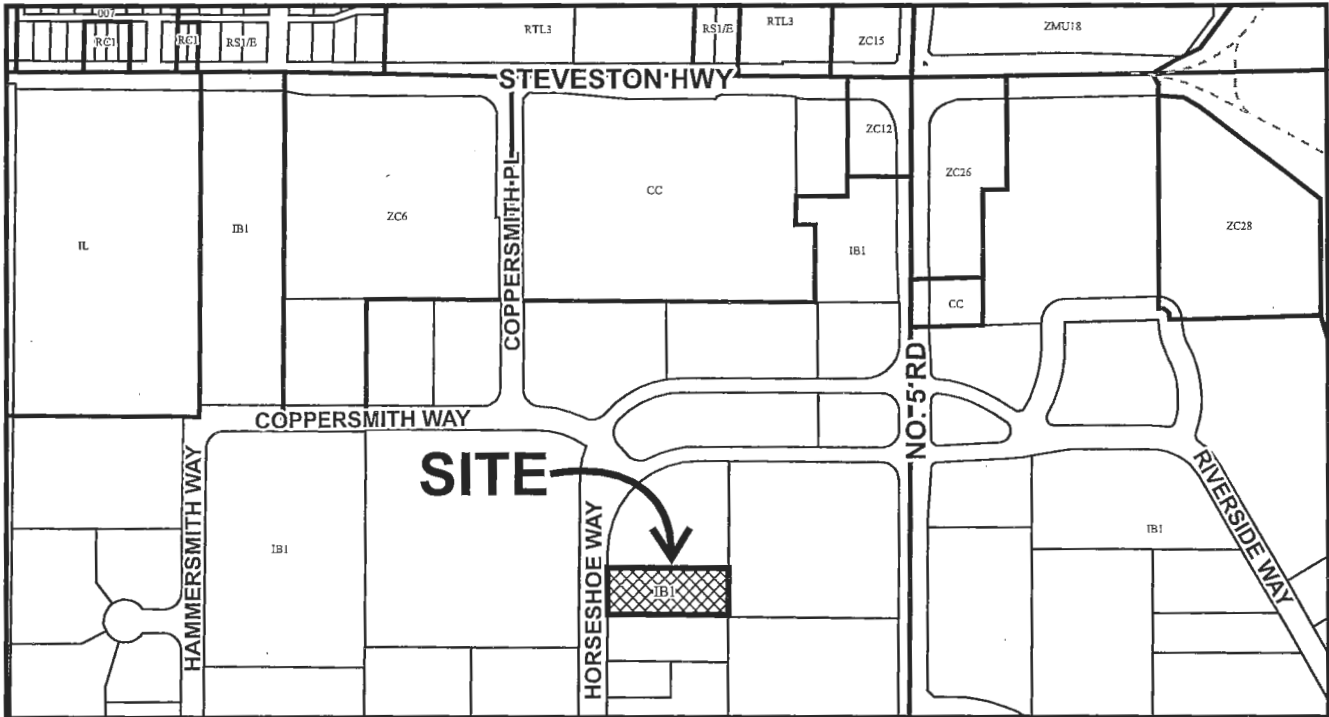
Mark McMullen  
Senior Coordinator - Major Projects

MM:blg

Attachment 1: Location Map and Orthophoto Map  
Attachment 2: Development Application Data Sheet  
Attachment 3: Site and Floor Plans  
Attachment 4: Rezoning Considerations



City of  
Richmond



ZT 15-705936

Original Date: 08/05/15

Revision Date:

Note: Dimensions are in METRES





City of  
Richmond



ZT 15-705936

Original Date: 08/06/15

Revision Date:

Note: Dimensions are in METRES

CNCL - 241



**ZT 15-705936**

**Attachment 2**

Address: 11220 Horseshoe Way

Applicant: Fuggles & Warlock Craftworks Ltd.

Planning Area(s): Shellmont

	<b>Existing</b>	<b>Proposed</b>
<b>Owner (Leasee):</b>	Kenneth Lloyd Ronalds, Realtor (Fuggles & Warlock Craftworks Ltd.)	Kenneth Lloyd Ronalds, Realtor (Fuggles & Warlock Craftworks Ltd.)
<b>Site Size (m<sup>2</sup>):</b>	4,040 m <sup>2</sup>	No Change
<b>Land Uses:</b>	General Industrial, Cafe	General Industrial, Cafe, Microbrewery
<b>OCP Designation:</b>	Mixed Employment	No Change
<b>Area Plan Designation:</b>	N/A	N/A
<b>Zoning:</b>	Industrial Business (IB1)	No Change

<b>On Future Subdivided Lots</b>	<b>Bylaw Requirement</b>	<b>Proposed</b>	<b>Variance</b>
Density (units/acre):	N/A	N/A	none permitted
Floor Area Ratio - Building:	Max. 1.0	0.49 (No Change)	none permitted
Lot Coverage – Building:	Max. 60%	42% (No Change)	none
Lot Size (min. dimensions):	None	4,040 m <sup>2</sup> (No change)	none
Setback – Front Yard (m):	Min. 3.0 m	> 3.0 m (No change)	none
Setback – Side & Rear Yards (m):	Min. 0 m	> 0 m (No change)	none
Height (m):	12.0 m	<12.0 m (No change)	none
Off-street Parking Spaces (Subject Lease & Adjacent Units)	44	46 (44 current + 2 new spaces added)	none
Off-street Loading Space (Subject Lease & Adjacent Units)	2	4 (No Change)	none

FUGGLES + WARLOCK  
TASTING ROOM  
103-11220 HORSESHOE WAY  
RICHMOND BC

NORTH  
THE PARKING LOT PARCELS SHOWN FOR THE PURPOSES OF REVIEW ARE THE PROPERTY OF THE DEVELOPER AND ARE NOT TO BE USED FOR ANY OTHER PURPOSES WITHOUT THE WRITTEN CONSENT OF THE DEVELOPER.

COMMENTS

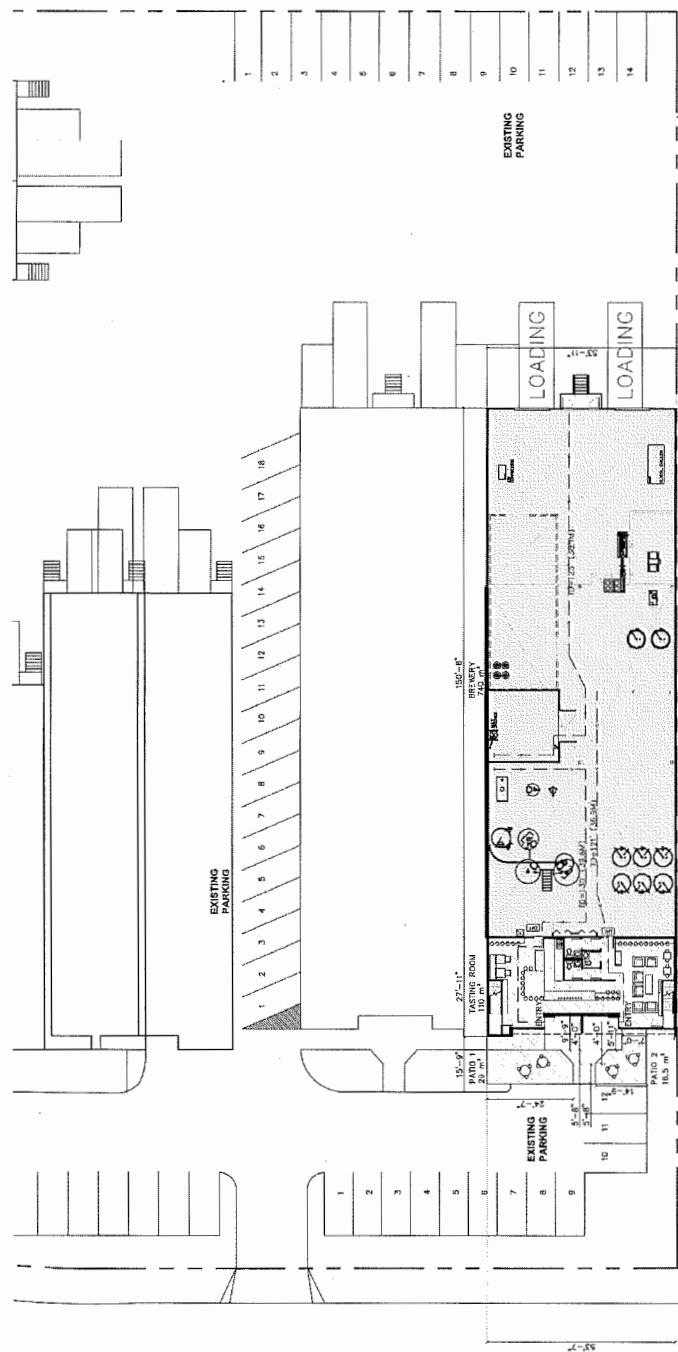
INTERIOR DESIGN: JESSICA STEWART  
736-318 FLOWER STREET  
VANCOUVER BC V6C 2S1  
VAN 603.3011

ISSUE  
MAY 17, 2015 ISSUED FOR PRELIMINARY REVIEW  
MAY 25, 2015 ISSUED FOR REVIEW  
JUNE 8, 2015 ISSUED FOR ILLUSTRATIVE REVIEW  
AUG 25, 2015 PARKING COMPLIANCE PLAN

SHEET #, DATE, PARKING COMPLIANCE PLAN  
DRAWING TITLE  
PARKING COMPLIANCE PLAN

SCALE: AS NOTED  
DATE: 08/25/15  
DRAWN BY: JG

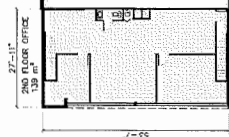
DSK-1



TOTAL TASTING AREA/LOUNGE:  
1668 SQ. FT  
155 SQ. METERS

TOTAL INDUSTRIAL:  
9460 SQ. FT  
879 SQ. METERS

11220 HORSESHOE WAY - PARKING PLAN MAIN FLOOR



11220 HORSESHOE WAY - PARKING PLAN SECOND FLOOR

HORSESHOE WAY





City of  
Richmond

**Rezoning Considerations**  
Development Applications Department  
6911 No. 3 Road, Richmond, BC V6Y 2C1

**Address:** 11220 Horseshoe Way

**File No.:** ZT 15-705936

**Prior to final adoption of Richmond Zoning Bylaw 8500, Amendment Bylaw 9295, the developer is required to complete the following:**

1. Provincial Ministry of Transportation & Infrastructure Approval.
2. Provide a security to the City for the estimated value of the construction of a 1.5m wide paved walkway immediately behind the curb within the Horseshoe Way road allowance to be built by the City at the developer's sole cost via a City Work Order.

**Prior to Building Permit Issuance, the developer must complete the following requirements\*:**

1. Provide one exterior visitor bicycle Class 1 space/rack and one interior Class 2 employee bicycle parking space.
2. Prior to the issuance of BP, a construction parking and traffic management plan to be provided to the Transportation Division (Ref: <http://www.Richmond.ca/services/ttp/special.htm>>)

**Note:**

- \* This requires a separate application.
- Where the Director of Development deems appropriate, the preceding agreements are to be drawn not only as personal covenants of the property owner but also as covenants pursuant to Section 219 of the Land Title Act.

All agreements to be registered in the Land Title Office shall have priority over all such liens, charges and encumbrances as is considered advisable by the Director of Development. All agreements to be registered in the Land Title Office shall, unless the Director of Development determines otherwise, be fully registered in the Land Title Office prior to enactment of the appropriate bylaw.

The preceding agreements shall provide security to the City including indemnities, warranties, equitable/rent charges, letters of credit and withholding permits, as deemed necessary or advisable by the Director of Development. All agreements shall be in a form and content satisfactory to the Director of Development.

- Additional legal agreements, as determined via the subject development's Servicing Agreement(s) and/or Development Permit(s), and/or Building Permit(s) to the satisfaction of the Director of Engineering may be required including, but not limited to, site investigation, testing, monitoring, site preparation, de-watering, drilling, underpinning, anchoring, shoring, piling, pre-loading, ground densification or other activities that may result in settlement, displacement, subsidence, damage or nuisance to City and private utility infrastructure.
- Applicants for all City Permits are required to comply at all times with the conditions of the Provincial *Wildlife Act* and Federal *Migratory Birds Convention Act*, which contain prohibitions on the removal or disturbance of both birds and their nests. Issuance of Municipal permits does not give an individual authority to contravene these legislations. The City of Richmond recommends that where significant trees or vegetation exists on site, the services of a Qualified Environmental Professional (QEP) be secured to perform a survey and ensure that development activities are in compliance with all relevant legislation.

Signed

Date



**Richmond Zoning Bylaw 8500  
Amendment Bylaw 9295 (ZT15-705936)  
11220 Horseshoe Way**

The Council of the City of Richmond, in open meeting assembled, enacts as follows:

1. Richmond Zoning Bylaw 8500 is amended by:

(a) Inserting the following new definition within Section 3.4 in alphabetical order:

**“Microbrewery, Winery and Distillery** means a **premises**, licensed under the *Liquor Control and Licensing Act*, on which there is manufacturing of beer, ale, cider, wine or spirits for sale to business customers and shall include **ancillary** retail sale of these liquor products and related non-liquor products to the public within the manufacturer’s store and lounge provided that their combined **floor area** and any outdoor lounge patio area do not exceed the manufacturing **floor area.**”

(b) Adding Additional Uses (Section 12.3.3.B) and renumbering previous section accordingly and inserting the following text into the Additional Uses (Section 12.3.3.B):

**“Microbrewery, Winery and Distillery”**

(c) Inserting the following new Section 12.3.11.5 and renumbering following section accordingly:

**“Microbrewery, Winery and Distillery** shall be only permitted on the following **site:**

11220 Horseshoe Way

PID 000-564-095

Lot 45 Section 1 Block 3 North Range 6 West New Westminster District Plan 56980”

2. This Bylaw may be cited as **“Richmond Zoning Bylaw 8500, Amendment Bylaw 9295”**.

FIRST READING

\_\_\_\_\_

PUBLIC HEARING

\_\_\_\_\_

SECOND READING

\_\_\_\_\_

THIRD READING

\_\_\_\_\_

OTHER CONDITIONS SATISFIED

\_\_\_\_\_

MINISTRY OF TRANSPORTATION AND  
INFRASTRUCTURE APPROVAL

\_\_\_\_\_

ADOPTED

\_\_\_\_\_

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CORPORATE OFFICER

CITY OF RICHMOND
APPROVED by 
APPROVED by Director or Solicitor 