



To: Planning Committee

Date: December 20, 2011

From: Brian J. Jackson, MCIP
Director of Development

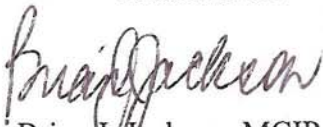
File: AG 11-579881

Re: **Application by Sanford Design Group for Agricultural Land Reserve Non-Farm Use at 16880 Westminster Highway (Lulu Island Winery)**


Staff Recommendation

That:

1. Authorization for Sanford Design Group, on behalf of Lulu Island Winery, to apply to the Agricultural Land Commission for a non-farm use for the purposes of developing a food and beverage service lounge as an accessory use to the existing farm-based winery facility at 16880 Westminster Highway be granted;
2. Richmond City Council recommend to the Agricultural Land Commission for the registration of a legal agreement on title that prohibits use of the proposed accessory food and beverage service lounge and existing farm-based winery facility as a banquet hall or stand-alone event hosting venue as part of the Agricultural Land Commission's review of the non-farm use application; and
3. Lulu Island Winery undertake consultation with neighbouring properties regarding the food and beverage service lounge proposal and the findings be reported out to Richmond City Council prior to advancing the non-farm use application to the Agricultural Land Commission.


 Brian J. Jackson, MCIP
 Director of Development

BJ:ke
Att.

FOR ORIGINATING DEPARTMENT USE ONLY
CONCURRENCE OF GENERAL MANAGER


Staff Report

Origin

Sanford Design Group, on behalf of Lulu Island Winery, has applied to the City of Richmond for a non-farm use for the purposes of a food and beverage service lounge as an accessory use to the existing farm-based winery facility (Lulu Island Winery) at 16880 Westminster Highway (**Attachment 1** – Location Map).

A non-farm use application is required as the subject site is located in the Agricultural Land Reserve (ALR) and is subject to the provisions of the Agricultural Land Commission (ALC) Act.

Project Description

The Lulu Island farm-based winery facility at 16880 Westminster Highway was constructed in 2008-2009. When the facility was constructed, the total area of the building was 2,067 sq.m (22,254 sq.ft.). This total building area consisted of the principal winery processing and storage areas and accessory uses related to permitted retail area, tasting rooms and offices. At this time, no approval was granted or permits issued for a food and beverage service lounge use within the facility. As part of the business and operations plan for the farm-based winery, an accessory food and beverage service lounge was identified as a future component to be included into the facility and the proponent has since submitted the appropriate land use application to the City and ALC for review and consideration.

The proposed food and beverage service lounge (the lounge) and all supporting uses (kitchen, hostess, drink service, storage) are contained within the existing winery building, with the exception of an outdoor patio 110 sq.m (1,180 sq.ft.) in area to be added at the northwest corner of the facility. Refer to **Attachment 2** for drawings of the proposed indoor and outdoor lounge. The following table summarizes the floor areas associated with the lounge proposal:

Lulu Island Winery – Summary of Floor Area for Proposed Lounge

Existing Total Area of Farm-Based Winery	2,067 sq.m (22,254 sq.ft.)
Indoor Lounge Area	115 sq.m (1,242 sq.ft.)
Supporting kitchen, storage, staff washrooms, corridors, hostess and drink preparation areas (not counted towards 125 sq.m maximum area permitted for indoor lounge)	215 sq.m (2,300 sq.ft.)
Total Indoor Area of Indoor Lounge and Supporting Uses (Does not include outdoor lounge)	330 sq.m (3,542 sq.ft.)
Total Outdoor Patio Area (not counted towards building area)	110 sq.m (1,180 sq.ft.)

No building area is proposed to be added to the Lulu Island Winery facility as the areas allocated for the future lounge is contained within an existing 330 sq.m (3,542 sq.ft.) space in the northwest corner of the facility. Outdoor works associated with the lounge will consist of a 110 sq.m (1,180 sq.ft.) patio that is surrounded by perimeter landscaping and decorative stone pillar fence with mounted trellis.

The proponent has indicated that the lounge will operate as an accessory use to the farm-based winery by offering food and beverage service for patrons and large tour groups.

Agricultural Land Commission – Non-Farm Use Application

In developing their plans for a lounge within the Lulu Island Winery facility, the applicant contacted ALC staff for comments on the proposal and direction on required land use approvals. Based on ALC staff review of the lounge proposal, they informed the applicant and City staff that a “non-farm use” application is required for the lounge proposal.

The non-farm use application process involves submission and review of the proposal by City staff and appropriate stakeholders and consideration by Richmond City Council first. If the application is granted by a Council resolution, the non-farm use application is forwarded to the Agricultural Land Commission for a decision on the proposal. Should Richmond City Council not grant approval of the non-farm use proposal, the application does not proceed any further.

Surrounding Development

To the North: Westminster Highway and an Agriculture (AG1) zoned lot. To the northeast on the other side of Westminster Highway are single-family residential dwellings zoned (RS1/F).

To the East: An Agriculture (AG1) zoned lot that is actively farmed with no single-family dwelling.

To the South: An Agriculture (AG1) zoned lot that is actively farmed (vineyard) with no single-family dwelling.

To the West: An Agriculture (AG1) zoned lot that contains a single-family dwelling and dog kennel operation.

Related Policies & Studies

Official Community Plan and Richmond Agricultural Viability Strategy

The subject site is contained in the ALR and designated for Agriculture in the Official Community Plan (OCP) land use maps. If Council and the ALC grant approval of the non-farm use application, no amendment to the OCP is required for this proposal (**Attachment 3 – Land Use Designation Table**).

The Richmond Agricultural Viability Strategy (RAVS) contains policies relating to agricultural diversification, adding value to products and encouraging agri-tourism activities. Based on information provided by the winery owner, the existing Lulu Island farm-based winery produces

fruit for wine processing on the agricultural lots owned by the operator. In addition to on-site grown fruit, the owner imports fruit product from other farms in BC. Importing of fruit from other BC farms is permitted under ALR provincial regulations. The use of BC produce, value-added processing and supporting agri-tourism activities related to the winery comply with policies contained in the RAVS to encourage viability in agriculture.

Council Referral on Farm Based Wineries – Review of Regulations

There is an existing Council referral that relates to reviewing farm-based winery regulations, sizes and accessory uses. A separate staff report that responds to this referral is being forwarded for Council consideration concurrent to this non-farm use application for the accessory lounge at Lulu Island Winery (16880 Westminster Highway). The proposed new regulations on farm-based wineries and related accessory uses does not impact Lulu Island Winery's proposed indoor and outdoor lounge area as no additional building area is required and the areas for the lounge comply with existing and proposed new winery regulations.

City Zoning Provisions

The subject site is zoned Agriculture (AG1). A farm-based winery is permitted as a secondary use in the zone. The City use definition associated with farm-based winery is identical to the Provincial ALR regulations related to this land use. A farm-based winery, means a British Columbia licensed winery or cidery, and an ancillary use, if the:

1. Wine or cider produced and offered for sale is made from farm product and:
 - At least 50% of that farm product is grown on the farm on which the winery or cidery is located, or
 - The farm that grows the farm products used to produce wine or cider is more than 5 acres (2.0 ha) in area; and
 - At least 50% of the total farm product for processing is provided under a minimum 3 year contract for a farm in British Columbia, unless otherwise authorized by the Provincial Agricultural Land Commission; and
2. Ancillary use involves the following activities:
 - Processing, storage and retail sales;
 - Tours; and
 - A food and beverage service lounge, if the area does not exceed 125.0 sq.m (1,345 sq.ft.) indoors and 125.0 sq.m (1,345 sq.ft.) outdoors.

The 125 sq.m (1,345 sq.ft) maximum area for the lounge applies to the lounge area only and does not apply to areas allocated for supporting uses (i.e., kitchen, storage, food preparation areas). This is consistent with the ALR regulations regarding accessory winery food and beverage service lounges.

The existing Lulu Island Winery facility operations that include product processing, storage, retail sales and tasting rooms comply with farm-based winery zoning provisions. The facility also complies with farm product quotas and ratios as outlined in the regulations by growing some product on-site and importing fruit from other BC farms. Based on the areas allocated to the proposed indoor (115 sq.m or 1,242 sq.ft.) and outdoor lounge (110 sq.m or 1,180 sq.ft.), the lounge areas comply with maximum areas regulations contained in City zoning. Sufficient additional off-street parking also has been added to the existing paved areas of the development. Therefore, no rezoning application is required in conjunction with this proposal.

Agricultural Land Reserve Regulations

ALR land use regulations are identical to City zoning provisions for farm-based wineries. Generally, ALR regulations permit farm-based wineries based on varying levels of on-site farm production or options to utilize a minimum quota of BC farm product. Accessory uses are also permitted in conjunction with a winery (i.e., retail areas, tours, food and beverage service lounge). As it relates to the food and beverage service lounge, ALR regulations also stipulate a maximum 125 sq.m (1,345 sq.ft.) floor area permitted for each of the indoor and outdoor components of the lounge seating area. This maximum area does not apply to supporting uses to a lounge such as kitchens, preparation and storage areas and corridors.

Although the indoor and outdoor lounge areas are within the maximum areas identified in the ALR regulations, ALC staff have reviewed the proposal and advised that a non-farm use application is required for the proposed lounge. Some initial concerns noted by ALC staff were the overall size of supporting kitchen, storage and drink service uses when compared to the size of the lounge and location of publicly accessible washrooms.

Liquor Control and Licensing Branch – Regulations and Process

Existing Liquor License for Lulu Island Winery

Lulu Island Winery has an existing Manufacturer's License issued by the Liquor Control and Licensing Branch (LCLB). LCLB also issues various "endorsements" under this Manufacturer's License. To facilitate winery tours and tasting, Lulu Island Winery has a "Winery Tour" endorsement applicable to the winery building.

Future Liquor License Required for the Lounge

In order to obtain a Liquor License for the proposed lounge, the proponent will be required to submit an application to the LCLB to obtain a "Winery Lounge" endorsement. As part of LCLB's processing of "Winery Lounge" endorsement proposals, applications are forwarded to the Local Government. Through this process, the Richmond City Council has the opportunity to review the proposal to examine relevant issues (hours of operation, consultation with residents, noise and adjacency concerns, general operations) and make a decision on "Winery Lounge" endorsement License proposals, which is forwarded to LCLB for consideration in the application (similar to Local Government review of liquor primary applications).

To summarize, if Lulu Island Winery receives appropriate approval from the City and ALC to permit the lounge as a use, the "Winery Lounge" endorsement Liquor License is required to be forwarded to Richmond and is subject to Council review and approval. To date, no application for a "Winery Lounge" endorsement to the existing Manufacturer's License has been made by Lulu Island Winery. If approval of the non-farm use application for the lounge is granted by the City and ALC, a "Winery Lounge" endorsement application will likely be made to the LCLB and forwarded to the City.

Consultation – Agricultural Advisory Committee

The City's Agricultural Advisory Committee (AAC) reviewed the non-farm use application on December 8, 2011. Refer to **Attachment 4** for an excerpt of AAC meeting minutes. Committee members could not reach a consensus to approve a specific recommendation or provide direction

to staff and Council through their review of the application. Generally, one group of AAC members had no objections to the lounge proposal on the basis it complied with City zoning regulations and no new building area was being added and that the project should move forward to Council on this basis. The remaining AAC members did not support forwarding the lounge proposal to Council or the ALC for consideration as concerns were noted about the potential operations of the lounge as a banquet hall, implications to the OCP and undesirable precedent this proposal could set for agricultural land.

Committee members could not reach consensus on the proposed lounge; therefore, the non-farm use application is being forwarded without a recommendation from the AAC.

Staff Comments

Building Approvals

Pending the outcome of the non-farm use application, a building permit application is required to undertake all interior tenant improvement works and exterior construction associated with the outdoor patio. Through the building permit review process, staff will check plans to ensure compliance with existing regulations and conditions placed on the lounge by Council or the ALC through any granted approvals.

Business Licensing

Lulu Island Winery has an existing business license issued to operate as a farm-based winery. If land use approval is granted for the lounge, an additional secondary use business license application is required for the lounge operation, which is linked to the existing farm-based winery license.

Examination of Key Questions and Issues

This section identifies and provides responses to key questions and issues applicable to the establishment of a supporting food and beverage service lounge to the existing Lulu Island Farm-Based Winery.

How will the accessory food and beverage service lounge operate in relation to the farm-based winery? The lounge is required to function as an accessory supporting use to the farm-based winery. The business and operations plan of Lulu Island Winery indicate that the lounge will provide food and drink service to general patrons and larger tour groups visiting the facility, which will help promote the products produced by the winery.

Will the lounge be permitted to be used as a banquet hall facility? No. A banquet hall is not a permitted use in the AG1 zoning for the site and no portion of the Lulu Island Winery facility (including the proposed lounge) can be utilized as a banquet hall.

In response to concerns about the possibility of use of the lounge and facility as a banquet hall, staff recommend that an appropriate legal agreement (restrictive covenant) be registered on title of the existing winery site that restricts use of the lounge and farm-based winery facility as a banquet hall or any event hosting venue that is not directly linked to the operations, functions and promotion of the existing winery. It is recommended that this legal agreement be secured through the ALC's review of the non-

farm use application, as the Commission may also want to place additional restrictions on the lounge as part of their consideration of the proposal. This is explicitly identified in the staff recommendation to Council for the non-farm use application so that ALC staff is aware of the City's request if the proposal advances to them.

The City's Zoning Bylaw defines "Banquet hall" as follows:

"Means a premise or portion of premises whose principal purpose is for banquets and conventions, commercial entertainment, dances, meetings and seminars, parties, trade shows, weddings and the like"

Events that fall under the category of weddings, conventions and the like are not defined further in the Zoning Bylaw. A banquet hall is therefore a building or part of a building, whose principal purposes and design is to accommodate these types of events. Therefore, the Lulu Island Winery facility does not fall into this classification and would not be permitted to operate as a banquet hall (as the zoning does not permit banquet hall as a use).

There is the potential for the proposed lounge to be privately rented to cater to events (i.e., weddings). However, City and ALC regulations require that the lounge be operated in a supporting capacity to the farm-based winery and any functions be directly linked to the promotion of products generated from the facility. Use of the lounge for wedding events and receptions is permitted, if the above criteria are adhered to and the wedding function area is strictly limited to the lounge (indoor and outdoor). Should Council or the ALC specifically want to prohibit wedding or other private event functions, the restriction would be included in the above referenced legal agreement and forwarded to the ALC for consideration.

Renting out restaurants in Richmond for private event functions (i.e., weddings and conventions) is a common practise so long as the event is limited to the seating area of the restaurant.

Other special events related to the farm-based winery (i.e., vintner gathering, harvest celebration) would also be permitted. LCLB require "Special Event" license endorsements for such events to occur where liquor service is involved. Similar to the "Winery Lounge" endorsement, these applications are forwarded to the Local Government for review and approval by the LCLB.

What limitations on liquor service will be placed on the winery lounge LCLB license? Typically, a "Winery Lounge" license endorsement only permits BC wines to be sold and consumed by the glass or bottle in the proposed lounge area. More information on liquor service will be available if the non-farm use land use application is approved by Richmond and the ALC and a subsequent "Winery Lounge" license endorsement is forwarded by LCLB to the City for review.

Are "third party" food service providers permitted under the proposed winery lounge land use? No. A food service provider that is not directly linked to the existing winery facility cannot operate or lease the lounge to operate a restaurant.

If the farm-based winery ceases operations or closes, will the lounge be permitted to continue to operate? No. If the farm-based winery is not in operation or closes, all accessory uses in support of the winery facility (i.e., lounge, retail, tasting rooms) would not be permitted to operate on a stand-alone basis.

What are the anticipated impacts to neighbours from the lounge proposal? For the proposed indoor lounge component of the project, minimal impacts to surrounding AG1 lots containing single-family dwellings are anticipated. The site has sufficient off-street parking to service the proposed lounge and winery. For special events that generate more anticipated parking demand and due to limited capacity for on-street parking in the surrounding area, it will be the sole responsibility of the winery operator to provide sufficient parking on-site and implement any alternative parking arrangements (i.e., satellite parking areas service by shuttle buses). These obligations fall directly with the winery operator.

The outdoor patio proposed at the northwest corner of the facility is directly adjacent to a single-family dwelling located on the neighbouring lot to the east. The patio extends 9 m (30 ft.) west of the existing west wall of the winery building. The setback of the patio is 5.4 m (18 ft.) from the west property line, which serves as the shared side property line between the subject site and neighbouring AG1 lot that contains a residential dwelling in close proximity to the outdoor patio.

To address adjacencies with appropriate neighbours, City staff have advised the proponent to immediately undertake consultation with the property owner to the west (16640 Westminster Highway) and other impacted neighbours in the surrounding area of the lounge proposal. Applicable updates on consultation results and feedback from neighbours will be provided to Council (as early as Planning Committee) by staff prior to any Council decision on whether to forward the non-farm use application to the ALC for consideration.

Analysis

A food and beverage service lounge is established by ALR regulations and City zoning as a permitted accessory use in support of a farm-based winery facility. The lounge associated with Lulu Island Winery, as proposed by the proponents, provides a supporting function to the overall facility operations by providing food and beverage service for patrons and tour groups. The proposed indoor and outdoor lounge areas comply with existing maximum area limitations established by the ALR regulations, which are identical to City zoning.

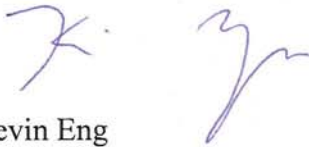
In response to concerns about use of the facility as a banquet hall, staff recommend a legal agreement be secured to specifically restrict use of Lulu Island Winery as a banquet hall or event hosting venue that is not linked to the farm-based winery operations. This recommendation to secure a legal agreement is being forwarded to the ALC for consideration in their review of the non-farm use application as they may include additional restrictions and limitations on the lounge proposal and approval of the lounge is ultimately with the ALC. Based on the staff recommendation to Council, the legal agreement to prohibit use of the lounge or winery facility as a banquet hall or general event hosting venue is left with the ALC to either require or not require as part of their decision on the application if it proceeds to them.

Additional information is required on consultation undertaken by the proponent. Staff recommend that consultation with neighbouring properties impacted by the proposal be undertaken and the proponent report the outcome back to City staff prior to advancing the non-farm use application to the ALC.

Conclusion

The non-farm use application at Lulu Island Winery (16880 Westminster Highway) involves development of an indoor and outdoor food and beverage service lounge as an accessory use to the farm-based winery facility. Exterior work is limited to a 110 sq.m outdoor patio at the northwest corner of the building. All remaining construction is limited to internal tenant improvements to the existing building.

The proposal complies with regulations applicable to the accessory lounge use and a legal agreement is recommended to prohibit use as a banquet hall or standalone event hosting venue. On this basis, staff recommend that the proponent (Lulu Island Winery) be authorized to apply to the ALC for the proposed non-farm use (food and beverage service lounge).



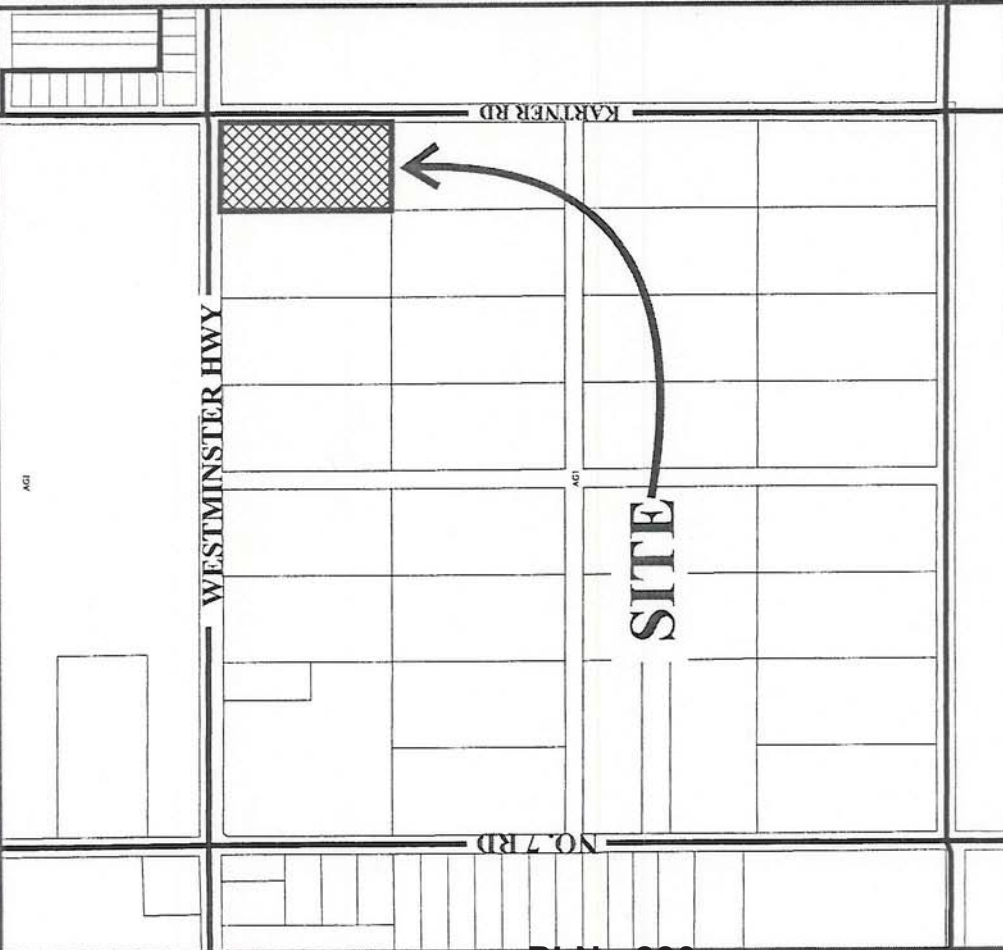
Kevin Eng
Planner 1

KE:cas

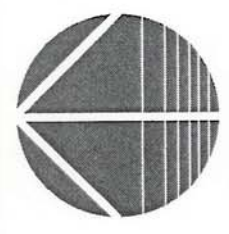
- Attachment 1: Location Map
- Attachment 2: Proposed Food & Beverage Service Lounge Drawings
- Attachment 3: Land Use Designation Summary Table
- Attachment 4: December 8, 2011 Excerpt of AAC Meeting Minutes



City of Richmond



PLN - 330

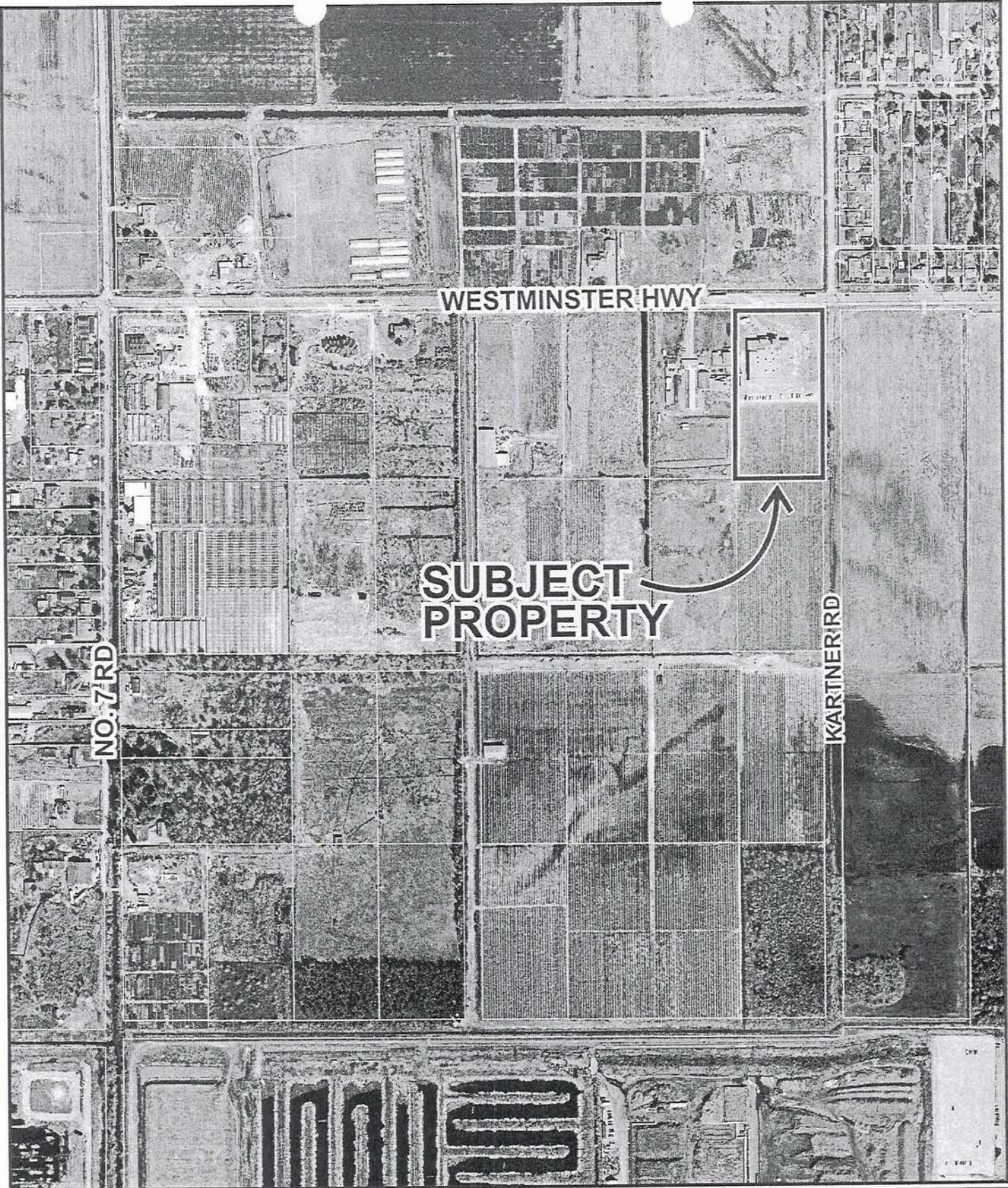


AG 11-579881

Original Date: 05/19/11

Revision Date:

Note: Dimensions are in METRES



WESTMINSTER HWY

NO. 7 RD

KARTNER RD

**SUBJECT
PROPERTY**



AG 11-579881

PLN - 331

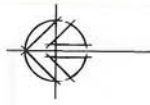
Original Date: 05/20/11

Revision Date:

Note: Dimensions are in METRES

PRELIMINARY SITE PLAN AND DRAWINGS

REVISIONS table with columns for revision number, date, and description.



RESUME
PROJECT INFORMATION
CLIENT ADDRESS
LEGAL DESCRIPTION
ZONING
SITE AREA
BUILDING AREA
TOTAL

AGRICULTURAL
4000 WESTMINSTER HTY., RICHMOND, B.C.
LEGAL DESCRIPTION: 0.1272 AC (55,210 SQ. FT.)
ZONING: A-1
SITE AREA: 1.2546 AC (54,250 SQ. FT.)
BUILDING AREA: 10,000 SQ. FT.

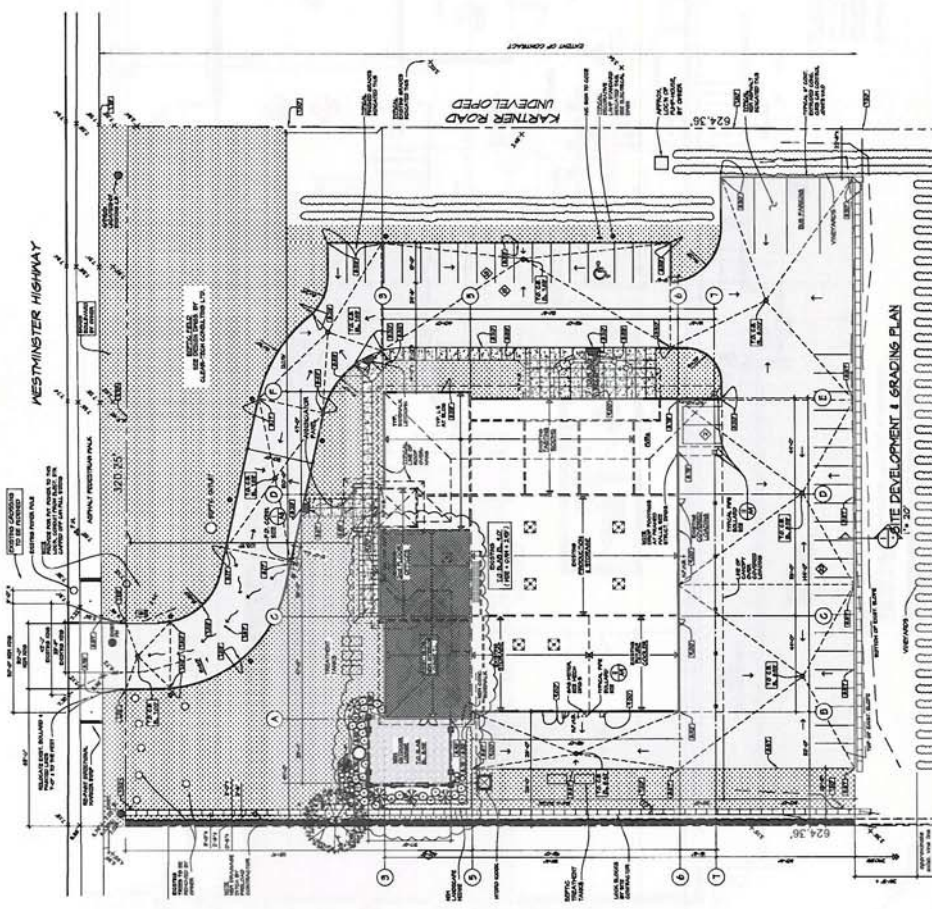
Table with columns for description, quantity, and units. Includes items like 'TOTAL PARKING SPACES' and 'TOTAL FLOOR AREA'.

PRELIMINARY DESIGN NOTES
1. THE SITE IS TO BE DEVELOPED AS A COMMERCIAL/INDUSTRIAL DEVELOPMENT...
2. THE DEVELOPMENT IS TO BE CONFORMANT WITH THE CITY OF RICHMOND ZONING BY-LAW...

LEGEND and ABBREVIATIONS sections. The legend lists symbols for walls, doors, windows, etc. The abbreviations list symbols for various site features like parking, landscaping, etc.

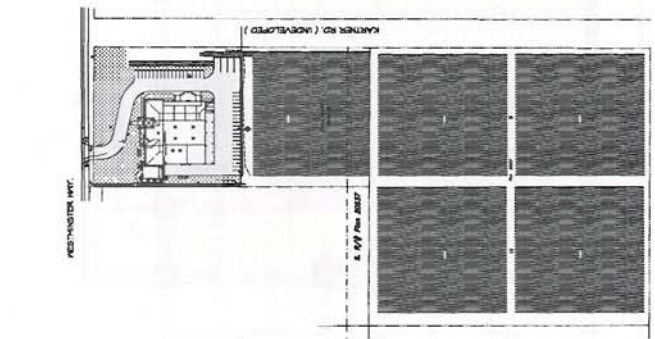
MICHAEL D. BARLEY ARCHITECT
REGISTERED ARCHITECT
1100 WESTMINSTER HTY.
RICHMOND, B.C. CANADA

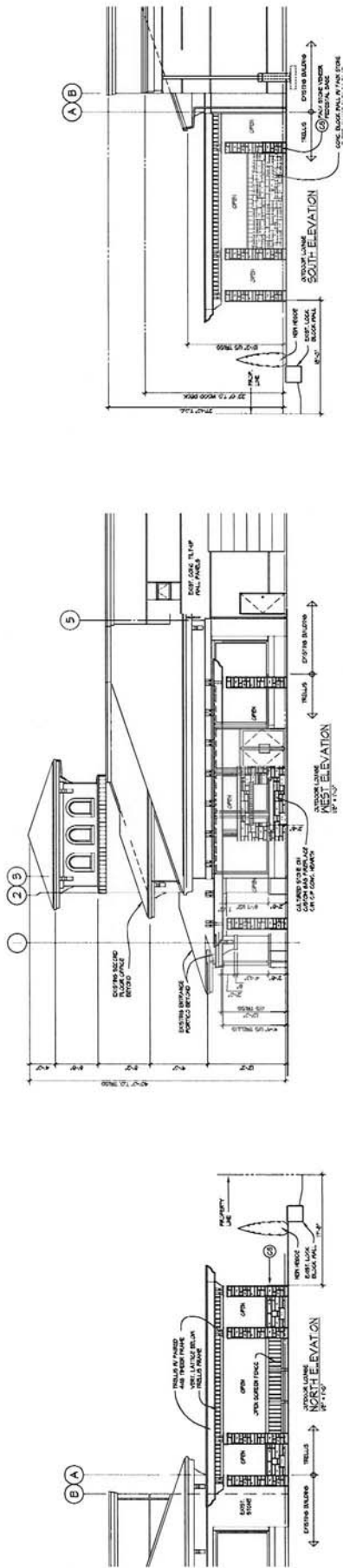
Table with columns for 'SITE DEVELOPMENT PLAN & GRADING PLAN' and 'DATE'.



2008 BC CODE ANALYSIS
S.1.2.3.1. Proposed building is a 2-story, 10,000 sq. ft. building...
S.1.2.3.2. The proposed building is a 2-story, 10,000 sq. ft. building...
S.1.2.3.3. The proposed building is a 2-story, 10,000 sq. ft. building...

2008 BC CODE ANALYSIS
S.1.2.3.1. Proposed building is a 2-story, 10,000 sq. ft. building...
S.1.2.3.2. The proposed building is a 2-story, 10,000 sq. ft. building...
S.1.2.3.3. The proposed building is a 2-story, 10,000 sq. ft. building...



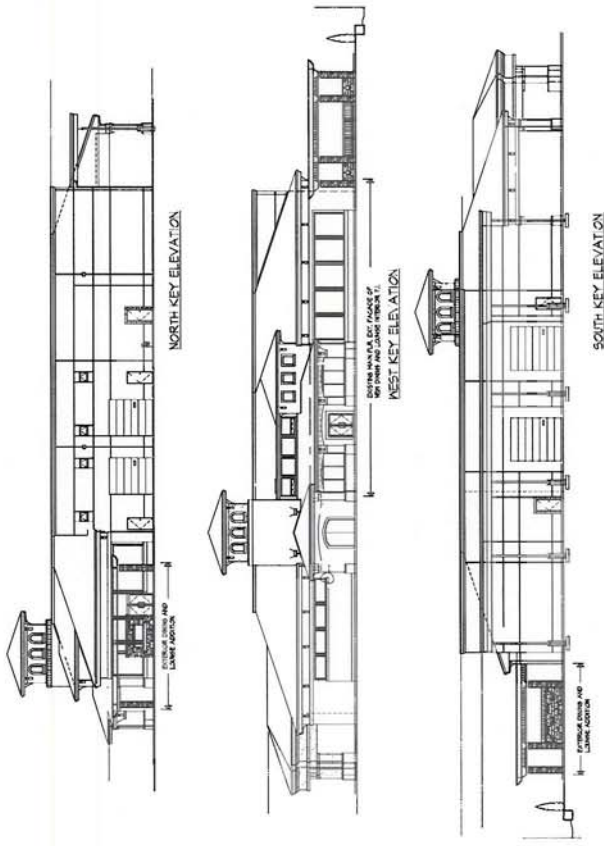


GENERAL NOTES - ENVELOPE

1. ALL EXTERIOR WALLS SHALL BE CONCRETE UNLESS OTHERWISE NOTED IN SPEC.
2. ALL EXTERIOR WALLS SHALL BE FINISHED WITH CONCRETE UNLESS OTHERWISE NOTED IN SPEC.
3. ALL EXTERIOR WALLS SHALL BE FINISHED WITH CONCRETE UNLESS OTHERWISE NOTED IN SPEC.
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9. ALL EXTERIOR WALLS SHALL BE FINISHED WITH CONCRETE UNLESS OTHERWISE NOTED IN SPEC.
10. ALL EXTERIOR WALLS SHALL BE FINISHED WITH CONCRETE UNLESS OTHERWISE NOTED IN SPEC.

EXTERIOR FINISH LEGEND

- ① CONCRETE
- ② EXTERIOR WALL FINISH - EXTERIOR FINISH
- ③ EXTERIOR WALL FINISH - EXTERIOR FINISH
- ④ EXTERIOR WALL FINISH - EXTERIOR FINISH
- ⑤ EXTERIOR WALL FINISH - EXTERIOR FINISH
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- ⑨ EXTERIOR WALL FINISH - EXTERIOR FINISH
- ⑩ EXTERIOR WALL FINISH - EXTERIOR FINISH





City of Richmond

6911 No. 3 Road
Richmond, BC V6Y 2C1
www.richmond.ca
604-276-4000

Land Use Designation Summary

RZ 11-579881

Attachment 3

Address: 16880 Westminster Highway

Applicant: Sanford Designs Ltd. (Lulu Island Winery)

	Existing	Proposed
Owner:	Blossom Winery Ltd.	Blossom Winery Ltd.
Site Size (m²):	18,344 sq.m (4.5 acres)	No change
Land Uses:	Existing farm-based winery composed of winery processing and storage areas, retail and tasting rooms.	Proposal for a food and beverage service lounge within the existing farm-based winery facility (with the exception of a proposed new outdoor patio).
OCP Designation:	Agriculture	No change
Agricultural Land Reserve:	Subject site is contained in ALR	Property is to remain in ALR. Non-farm use application to permit lounge
Zoning:	Agriculture (AG1)	No change

Excerpt of Agricultural Advisory Committee Meeting Minutes
December 8, 2011

**Development Proposal – Lulu Island Winery (Non-Farm Use Application – 16880
Westminster Highway)**

Staff provided background on the development of the Lulu Island Winery and provided summary information on the accessory food and beverage service lounge (indoor lounge, outdoor patio, supporting kitchen and storage space), which is the subject of the non-farm use application (Information submitted on the proposal is contained in the AAC Agenda Package). Extent of external building modifications would be the addition of a perimeter decorative wall and wooden trellis for the outdoor patio. Proposed remaining works would be to the interior only of the existing building to implement to indoor lounge and supporting areas (kitchen/preparation areas, storage, hostess and bar areas).

AAC members raised had the following comments and questions:

- A question was asked if the proposed lounge at the Lulu Island Winery facility complied with City zoning and ALC regulations and if the proposal did comply – why was a non-farm use application required. City staff noted that extensive consultation with the ALC was conducted by the applicant and City staff prior to the ALC has clarified that the proposed lounge requires a non-farm use application. An AAC member suggested that if the proposal complied with City regulations, it should be permitted and forwarded to the ALC so that any issues could be resolved between the proponent and Commission.
- Members requested how the lounge proposal related to City zoning and the Official Community Plan (OCP). City staff noted the proposal complied with the farm-based winery provisions for accessory food and beverage service lounges contained in the zoning bylaw. There is no specific reference in the OCP section on agriculture that specifically references a policy on farm-based wineries or accessory food and beverage service lounges in the ALR. Concerns were identified about the precedent an accessory food and beverage service lounge associated with a farm-based winery would have on agricultural areas and if this would result in more development proposals for stand alone restaurants in the ALR.
- Members asked the Lulu Island Winery proponents where they received their farm product used to process into wine. Alison Lu (Lulu Island Winery) responded that some fruit was produced on-site (grapes) and that remaining fruit was imported from the Okanagan. She also noted that local blueberries in Richmond were sourced for berry wine production.
- Members commented on the significance of the Lulu Island Winery facility as it was of a scale not seen in Richmond before. Additional information was provided on other examples of farm-based wineries operating in the Okanagan and Fraser Valley/Lower Mainland.

- Questions about follow-up business licence and use enforcement that could be implemented to ensure that the winery and accessory lounge is being operated in compliance with regulations. Staff noted that use inspections and any necessary inspections are undertaken by the City's Business License inspectors and Community Bylaws staff.
- Some Committee members noted that Golf Courses located in the ALR are permitted to have restaurants associated with their club houses and that these facilities regularly host weddings and special events. A food and beverage service lounge directly related to a winery operation that supported agriculture was noted as being acceptable given the examples of existing clubhouses that supported golf courses throughout BC.
- There was a concern noted about the size of the kitchen in proportion of the indoor and outdoor areas of the lounge. City staff also noted this was a comment echoed by ALC staff along with the location of washrooms in vicinity of the lounge within the facility.

Based on the discussion, the Chair highlighted that the development proposal was before the AAC for feedback and direction. Therefore, the following motion was forwarded:

That the AAC refer the Lulu Island Winery non-farm use application (food and beverage service lounge) back to staff for further review.

The following comments were made on the motion:

- Staff noted that if the AAC referred the application back to staff, specific direction or comments from the Committee would assist staff in further review of the proposal.
- Committee members highlighted that the main concerns would be the origin of the farm product to be processed into wine and the potential for the lounge and winery facility to be utilized as a stand alone banquet facility or restaurant with no linkages to the winery.
- One committee member did not see the proposal as setting a precedent as it complied with existing City and Provincial regulations and that this proposal represented a means to enhancing agricultural viability at the local and Provincial level.

A vote on the motion was called with 4 members for and 4 members opposed. The motion was defeated on a tie-vote.

Further discussion amongst committee members with questions the proposed operations of the lounge. The Lulu Island Winery proponents noted that the design of the lounge and supporting kitchen areas was intended to serve visitors and tourist groups to the facility and that the size of the kitchen and preparation areas was related to the requirements of servicing larger visitor groups in a quick time period. Based on the defeated motion, Committee members noted that it was unlikely that a consensus for direction on the proposal could be reached. As a result, staff highlighted that the non-farm use application for the proposed lounge at Lulu Island Winery would proceed forward without a recommendation from the AAC.