

ADMINISTRATIVE REPORT

Report Date:	September 23, 2016
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VanRIMS No.:	08-2000-20
Meeting Date:	November 16, 2016

- TO: Standing Committee on City Finance and Services
- FROM: General Manager, Development, Buildings and Licensing
- SUBJECT: 39 Smithe Street and 45 Smithe Street Parq Holdings Limited Partnership Application to Relocate and Amend Liquor Primary Licences

RECOMMENDATION

- A. THAT Council, having considered the opinion of local area residents and business operators as determined by neighbourhood notifications, site signs, open house, noise impacts and relevant Council policy as outlined in this Administrative Report, endorse the request by Parq Holdings Limited Partnership for an increase in person capacity for the Liquor Primary Licence (#302500) from 2494 persons to 5000 persons (Liquor Establishment Class 6-Casino/Entertainment Venue) and relocate from 760 Pacific Boulevard to 39 Smithe Street subject to:
 - i. A maximum total capacity of 5000 persons to include three restaurants, two lounges, patio, casino and private gaming salons located over two floors;
 - ii. No increase in slots and gaming tables;
 - iii. Acoustic report to be submitted certifying that the establishment meets Noise Control By-law requirements;
 - iv. The outdoor patio ceasing all liquor service and vacated by 11 pm nightly;
 - v. No music or entertainment permitted on the patio;
 - vi. Signing a Good Neighbour Agreement with the City prior to business licence issuance; and
 - vii. A Time limited Development Permit.
- B. THAT Council, having considered the opinion of local area residents and business operators as determined by neighbourhood notifications, site signs, open house, noise impacts and relevant Council policy as outlined in this Administrative Report, endorse the request by Parq Holdings Limited Partnership to reduce the person capacity for the Liquor Primary Licence (#303909) from 405 persons to 125 person interior lounge with a 225 person courtyard patio located on the 6th floor of the Douglas Hotel (Liquor Establishment Class 2 - Hotel Lounge) and relocate from 750 Pacific Boulevard to 45 Smithe Street subject to:

- i. A maximum total capacity of 125 persons inside and 225 persons on the patio(reduction of 55 persons) located on the 6th floor;
- ii. Acoustic report to be submitted certifying that the establishment meets Noise Control By-law requirements;
- iii. Signing a Good Neighbour Agreement with the City prior to business licence issuance;
- iv. The outdoor patio ceasing all liquor service and vacated by 11 pm nightly;
- v. No music or entertainment permitted on the patio;
- vi. A Time-limited Development Permit; and
- vii. Food service to be provided while minors are present as well as on the patio when open.

REPORT SUMMARY

Parq Holdings Limited Partnership is requesting a Council resolution endorsing their application to amend and relocate two existing Liquor Primary licenses from the current Edgewater Casino to the newly constructed Douglas Hotel with Casino/Entertainment venues on the second and third floors of the resort located at 39 and 45 Smithe Street. Construction of the new purpose built hotel/casino means an overall increase in space from 2,800 m² to 6,700 m², more than doubling the current size. This increase in sizes means that the gaming areas are now built to be in line with modern casino planning providing a luxurious experience with separate high end private salons and several restaurants and lounges.

The new facility requires an adjustment in seat capacity of one liquor licence from 405 persons to 350 persons (including 225 person patio) and the second licence from 2494 persons to 5000 persons (including 35 person patio). The requested amendment will result in an increase in total capacity by 2,451 persons including interior space and exterior patios. Floorplans and rendering of how the space will be used are attached in Appendix A and C, which illustrate a large number of the seat increase accommodates the hotel lobby and lounge (125 person + 225 person patio), restaurants on the second and third floors (750 persons + 35 person patio) and lounges (200 persons) located and accessed only through the casino. These new businesses cannot be licensed under a food primary license category because the provincial regulations will not allow unaccompanied minors to walk through a casino and all food primary licences must allow minors access.

The design of the resort's luxury high stakes private salons (585 persons), a feature not offered at the current location, as well as the addition of several restaurants and lounges (1,335 persons), and the larger floor space areas makes the casino a venue more suitable in which to hold marketing events and provide more than just a gaming facility. Therefore, nearly 80% of the 2,451 persons increase in capacity for the amended liquor licences at the new resort is a result of the added venues to better serve the clientele.

The hours of operation will remain unchanged from the current operation of 9 am to 2 am, Sunday to Thursday and 9 am to 3 am, Friday and Saturday. Patio hours will also remain unchanged from the current 9 am to 11 pm, seven days a week.

The application meets current Council policy regarding size, distance from other establishments and hours of operation. However, the application is not consistent with Council's policy for outdoor patios with respect to the permitted seating capacity. Staff is recommending approval of this application noting that the patio will be seasonal, located on the 6th floor of the hotel and risks such as loud music, patron noise and neighbourhood

disturbances associated with Liquor Primary licences within hotels are generally low. The requirement for a time-limited Development Permit and Good Neighbour Agreement will ensure the premise operates in a manner conducive to the surrounding area. The applicant is also applying for a Family Food Service endorsement to the hotel lounge Liquor Primary License which will allow minors, accompanied by a parent or guardian, to enter in all licensed areas until 10 pm when food service is available for families.

The applicant has held a liquor primary licence at the Edgewater Casino since 2005 with no enforcement issues.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

City role in liquor licence applications - The Liquor Control and Licensing Branch of the Provincial Government has senior authority in approving liquor license applications. Their regulations require local governments to provide a Council resolution on any liquor primary licence application unless the local government decides to opt out of the application review process. Council policy has been to provide comments on these applications.

Hours of service - policy for this Downtown Primarily Mixed-Use area are:

Standard hours of liquor service:

- 11 am to 1 am, Sunday to Thursday
- 11 am to 2 am, Friday and Saturday

Extended hours of liquor service:

- 9 am to 2 am, Sunday to Thursday
- 9 am to 3 am, Friday and Saturday

Size and location of new establishments (Council July 14, 2005) - Council Policy states that no Class 2 Liquor Primary establishment shall be located within 100 meters of another Class 2 establishment. This policy only pertains to liquor primary establishments and not food primary establishments (restaurants). Council Policy also states that no Class 6 Liquor Primary establishment shall be located within 750 meters of another Class 6 establishment.

Approval process/requirements - Council policy requires amendments to Liquor Primary licences be subject to a Time-Limited Development Permit, Good Neighbour Agreement, and public consultation.

Sidewalk patios adjacent to liquor establishments - On April 17, 2007, Council approved policy and guidelines that allow Liquor Primary liquor establishments to have sidewalk patios on private and public property subject to:

- food service being available to the patio
- a food preparation area large enough to safely handle the capacity increase
- closing time of no later than 11 pm
- outdoor seating limited to 20% of total seating capacity
- public consultation.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The City Manager and the General Manager of Development, Buildings and Licensing recommends approval of the foregoing.

REPORT

Background/Context

DE417276/BU460798 has been issued to construct a 25 storey Hotel/Casino/Retail/Restaurant building located at 39 and 45 Smithe Street. A Public Hearing was held on February 24, 2011 and Council approved rezoning of this site and the form of development. CD-1 By-law No.10404 was enacted on November 29, 2011, which places a limit on overall gaming activities. These limits include, a maximum of 600 slot machines and 75 gaming tables (no change from existing numbers), and limits the total floor area for gaming activity to a maximum of 10,600 m².

The current Edgewater Casino was not a purpose built facility for casino activities. The building was purchased after Expo '86, making the gaming areas very confined and having essentially no amenity space for patrons. Construction of the new casino means an overall increase in space from 2,800 m² to 6,700 m², more than doubling the current size.

This increase in sizes means that the gaming areas are now built to be in line with modern casino planning, providing a luxurious, high end gaming experience. This additional space also provides for an increase in number of private salons. Each room could accommodate approximately 30-40 persons as calculated in accordance with City by-laws, however, as they are private high stakes rooms, the Casino would only host a max of 1-3 people at any given time in each room. These salons (585 persons) as well as the addition of several restaurants and lounges (1,335 persons) and the larger floor space areas makes the casino a venue more suitable in which to hold marketing events and provide more than just a gaming facility. Therefore, nearly 80% of the 2,451 persons increase in capacity for the amended liquor licences at the new resort is a result of the added venues to better serve the clientele.

The applicant (Parq Holdings Limited Partnership) is requesting a Council resolution endorsing their application to relocate and amend their two Liquor Primary licences to the newly constructed hotel/casino resort located at 39 and 45 Smithe Street with the following characteristics:

LP Licence #303909 - Liquor Establishment Class 2 (Hotel Lounge)

- Relocate licence from 750 Pacific Blvd to 45 Smithe (6th Floor) in the new hotel resort;
- Reduce interior capacity from existing 405 persons to 125 person hotel lounge and 225 person patio (net reduction of 55 seats);
- No change to the hours of liquor service which are:
 - o 9am to 2am, Sunday to Thursday and 9am to 3am, Friday and Saturday;
- Entertainment will consist of background music and occasional live music and DJ;
- Food service will be provided;

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- Patio hours of operation: 9am to 11pm, seven days a week;
- No music or entertainment permitted on the patio;
- Applicant will be applying for 'Family Food Service' endorsement to allow minors, accompanied by a parent or guardian, to enter in the licensed area until 10 pm when meal service is available for families.

LP Licence #302500 - Liquor Establishment Class 6 (Casino/Entertainment Venue)

- Relocate from 760 Pacific Blvd to 39 Smithe (2nd and 3rd floor) in the new casino resort;
 - Increase interior capacity from 2,494 persons to 5,000 persons:
 - Level 2 Gaming area 1,900
 - Level 2 Dining areas & Lounge 600 (Two dining areas)

- Level 3 Gaming area 2,115 (inclusive of Private Salons 585)
- Level 3 Dining area & Lounge 350 (One dining area)
- o Level 3 Patio 35
- No change to the hours of liquor service which are:
 - 9am to 2am, Sunday to Thursday and 9am to 3am, Friday and Saturday;
- No change to patio hours of operation which are 9am to 11pm;
- Liquor Licence is only in effect when operating as a gaming facility;
- All liquor must be taken from patrons and cleared from the licensed area(s) within $\frac{1}{2}$ hour after the time stated on the liquor licence; and
- Food and beverage service will be provided.

Strategic Analysis

The applicant has held a liquor primary licence at the Edgewater Casino since 2005 with no enforcement issues. Based on other similar liquor establishments, staff have assessed that risks such as loud music, patron noise and neighbourhood disturbances associated with Liquor Primary licences within hotels/casinos are generally low. As a result, staff support this application and provide the following analysis.

Council Policy

City's policy limits outdoor patio seating to 20% of the total seating capacity of the liquor primary establishment. For the proposed patio located in the hotel, a 25 person patio would be permitted to comply with this policy. The applicant is requesting approval for a 225 person patio. Council has endorsed previous applications for hotel patios where staff have assessed that potential risks are minimal.

Staff support the request for the 225 person patio as the patio will be used seasonally and is located on the 6th floor of the hotel. As well, the time-limited Development Permit and the 11 pm closing time for the patio should also address any potential problems.

Results of the Neighbourhood Notification

A neighbourhood notification advising of the Liquor Primary applications was conducted by circulating approximately 2075 notices in the survey area (refer to Appendix B). Three site signs were erected advising the community of the application and where to send concerns or comments. Staff allowed three weeks (September 2 to 23, 2016) for the community to respond with concerns or support for the application. A total of 155 comments were received in response to the application; six opposed and 149 supported.

	Within 1000' radius of subject site	Outside 1000' radius of subject site	No contact information	Total
Support	5	83	61	149
Opposed	2	2	2	6

The results of the notification are summarized as follows:

Of the 155 responses received supporting the application, 112 were form letters signed by individuals supporting the application.

Respondents opposing the application are most concerned with increased nuisance issues for the area including:

- noise from intoxicated patrons;
- close proximity to residential;
- minors hanging out in a gaming facility; and
- increased traffic for the area.

The applicant organized and held an open house on September 15, 2016 for residents and businesses of the community. A total of 40 people attended the open house. City staff from different departments (Development Services, Liquor Licensing, Social Policy and the Vancouver Police Department) were also in attendance to answer questions. See Appendix C to view presentation boards which were on display at the open house.

The applicant is committed to the following:

- hiring a minimum of 10% of local employees from at-risk communities in and near the Downtown Eastside during construction and operations; currently exceeding our workforce commitment at Edgewater Casino
- a minimum 10% procurement Parq will purchase goods and services for all aspects of its operations from the Downtown Eastside and adjacent communities
- the casino is already supporting various not-for-profit organizations in the Downtown Eastside including the YWCA's Crabtree Corner and Cause We Care House; The Kettle Society, Open Door, EMBERS, Dragon Boats and other organizations
- support will continue and expand after opening

Our experience with similar establishments like hotel/resorts allows us to support the two applications because these establishments are managed by hotel/casino staff and are not operated by a third party operator.

Location of Establishment

The subject site is zoned CD-1 (Bylaw #10404) and the space is approved as a hotel/casino resort. For the purposes of liquor policy, it is considered to be located in the Downtown Primarily Mixed-Use area. The surrounding area is a mixture of commercial, retail, office, hotel, school, church, residential and restaurant uses.

Proximity to other social or recreational facilities and to other Liquor Primary Establishments

There are no social or recreational facilities in the immediate area that would create a potential conflict with the proposal for liquor primary seats.

Within a 1000' (305 m) radius of the subject site, there are two Liquor Establishments Class 3, one Liquor Establishment Class 5, one Stadium Licence and one Liquor Establishment Class 7 (Private Club). There are no Liquor Establishment Class 2 located within 100 meters of the subject site therefore, this application meets Council Policy for distancing requirements. There are no Liquor Establishment Class 6 located within 750 meters of the subject site therefore, this application meets Council Policy for distancing requirements (refer to Appendix B).

Person Capacity and Hours of Operation

The Vancouver Fire Department has reviewed the application and approved an occupant load (per Vancouver Fire Bylaw) as follows (refer to Appendix A):

	Current		Proposed	
	Capacity	Hours	Capacity	Hours
45 Smithe (Level 6)	405 (interior)	9am to 2am Sunday to Thursday 9am to 3am Friday and Saturday	125 (interior) Hotel lobby and lounge	No Change
Patio	-	-	225	9am to 11pm, 7 days a week
		CHANGE	Remove 55	

LP Licence #303909 - Liquor Establishment Class 2 (Hotel Lounge)

LP Licence #302500 - Liquor Establishment Class 6	(Casino/Entertainment Venue)
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	Current		Proposed	
	Capacity	Hours	Capacity	Hours
39 Smithe (Level 2 & 3)	2494 (interior + patios)	9am to 2am Sunday to Thursday 9am to 3am Friday and Saturday	5,000 (Level 2 and 3) Level 2 Gaming area - 1,900 Level 2 Dining areas & Lounge - 600 (Two dining areas) Level 3 Gaming area - 2,115 (inclusive of Private Salons 585) Level 3 Dining area & Lounge - 350 (One dining area)	No Change
Patio	Patio seats inclusive of the interior capacity	9am to 11pm, 7 days a week	35	No Change
		CHANGE	Add 2,506	

TOTAL NET INCREASE: 2,506-55 = 2,451

Noise

Staff have considered the impact for noise on the community and have no concerns at this time. An acoustical report certifying that the establishment meets Noise Control By-law requirements will be required and this should mitigate negative impacts due to noise.

Impact on the Community

There have been no enforcement issues associated with this establishment and no complaints have been received related to the management of this business. The operations of the casino are considered to be a well-run facility with a very high level of on-site security, sophisticated video surveillance and monitoring system.

The Time-Limited Development Permit will provide ongoing reviews to ensure the land use/business remains compatible with the surrounding community. In addition, the Good Neighbour Agreement will set out the City expectations that the business needs to be responsive in dealing with any issues and responsible for creating a positive relationship with the community.

Implications/Related Issues/Risk (if applicable)

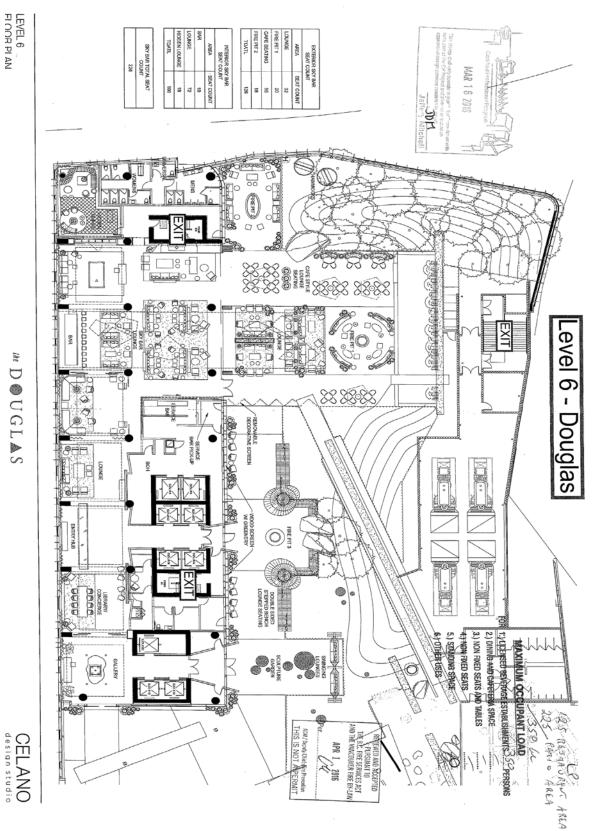
Financial

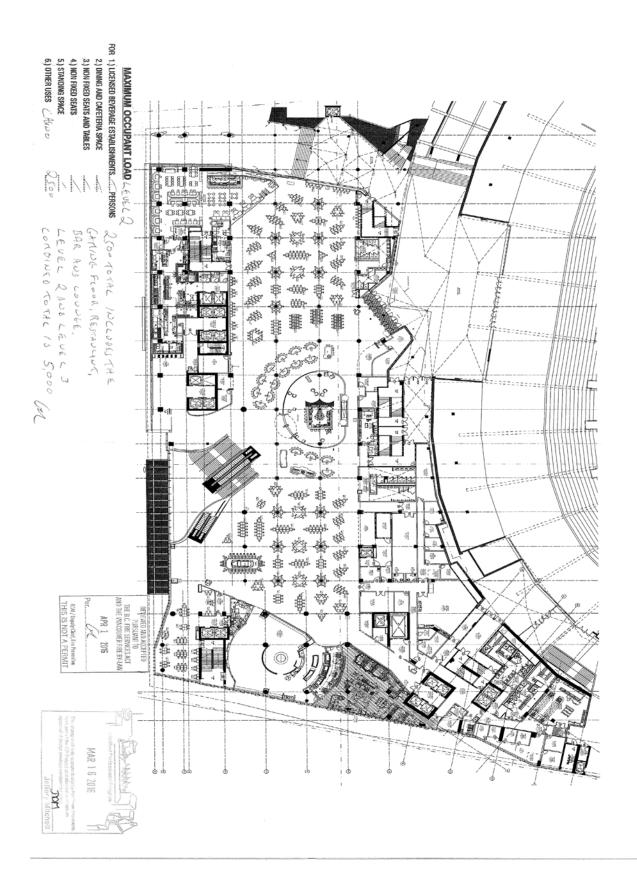
There are no financial implications.

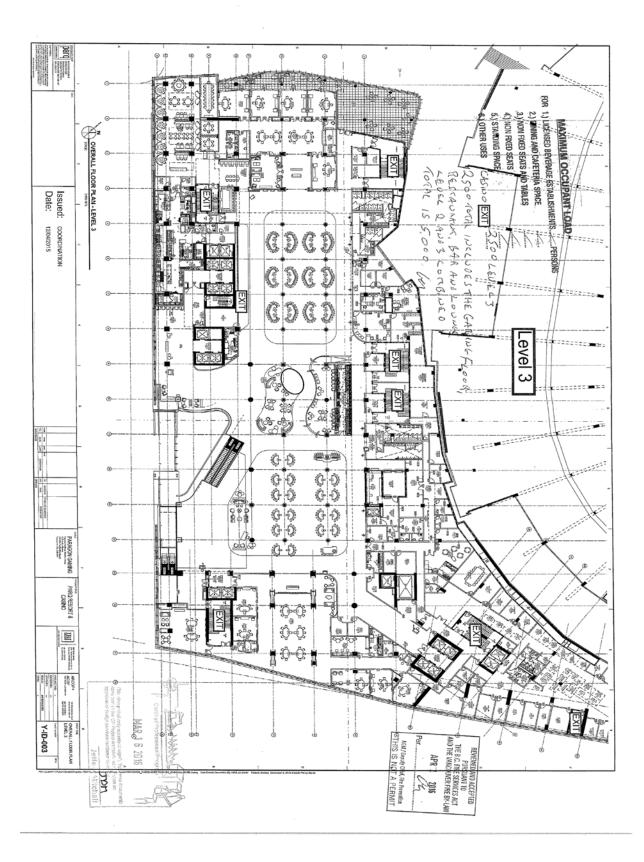
CONCLUSION

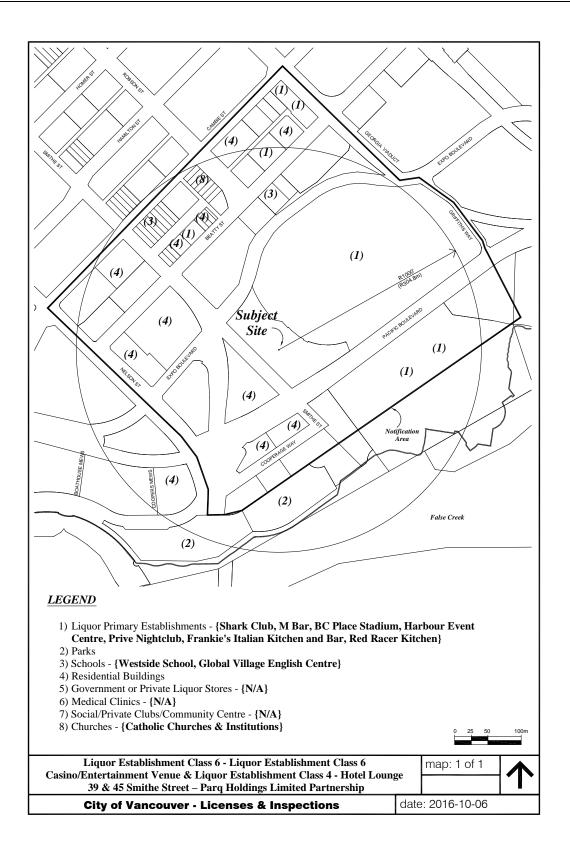
Staff recommend Council endorse the applicants request to amend and relocate two of their existing Liquor Primary licenses to the newly constructed hotel/casino resort, subject to the conditions noted in this report. This application meets current Council policy regarding size and distance from other Class 2 and Class 6 Liquor Primary establishments. The requirement for a Time-Limited Development Permit and Good Neighbour Agreement as well as submission of an acoustic report will provide the necessary controls to ensure the premise operates in a manner that will mitigate any impacts to the neighbourhood. Given the location and nature of the establishment as well as the fact that liquor service is not the primary focus of the business, staff do not anticipate any negative impacts from the operation of the Liquor Primary liquor licences on the surrounding community. Also of benefit is the continued commitment to job creation aimed at people who are from the Downtown Eastside.

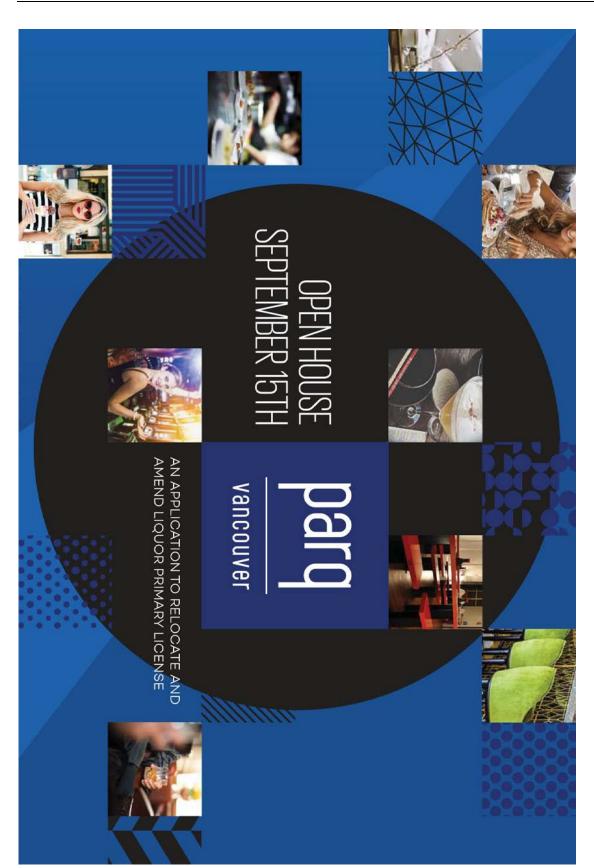
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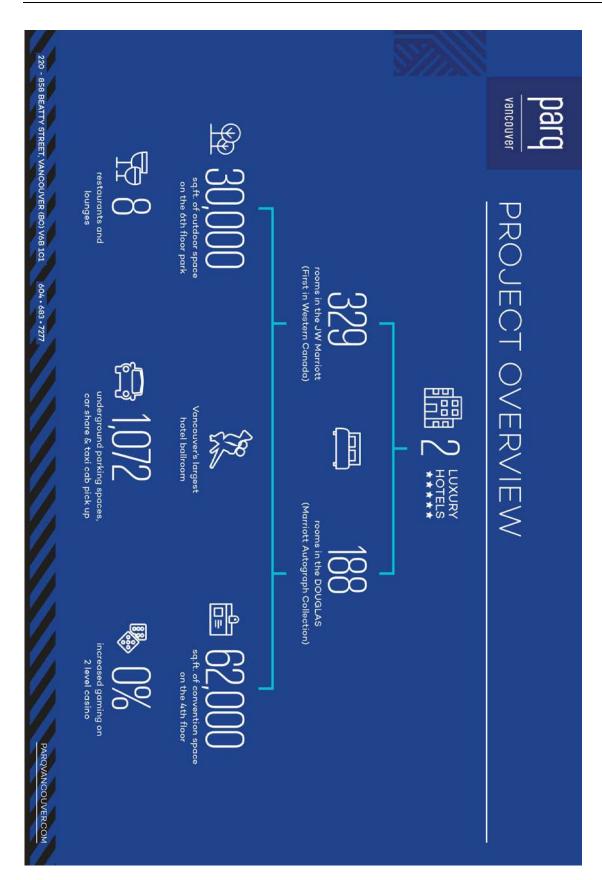












vancouver

CITY NOTIFICATION

parq

Notice of Application to Relocate and Amend Liquor Amend Liquor PRIMARY LICENCE

45 SMITHE ST. (#303909) 39 SMITHE ST.

(#302500)

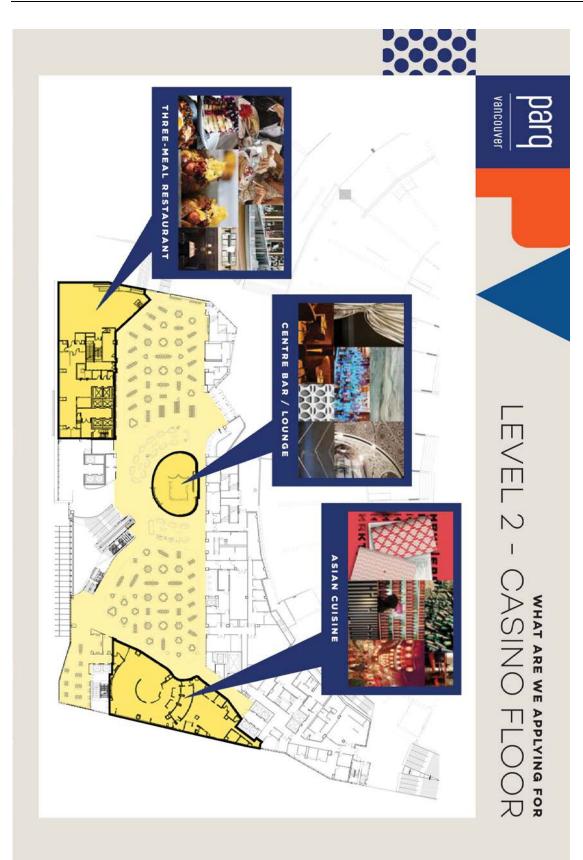
AND THE PROVINCIAL LIQUOR CONTROL & LICENSING BRANCH FOR PERMISSION TO: PARQ HOLDINGS LIMITED PARTNERSHIP HAS APPLIED TO THE CITY OF VANCOUVER

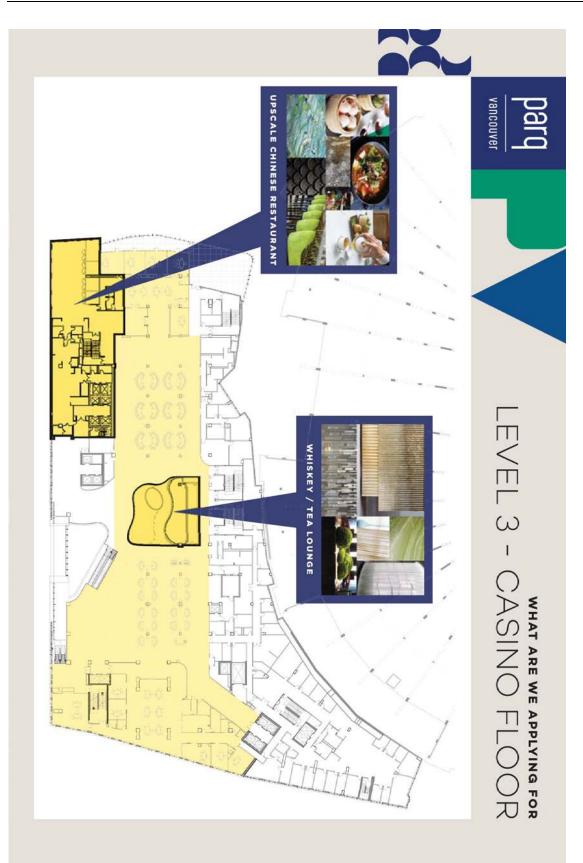
Hotel (Liquor Establishment Class 4 – Hotel Lounge) - a reduction of 55 persons interior with a 225 person interior courtyard patio for the lobby/lounge of the Douglas Street and to amend their existing 405 person Liquor Primary licence to 125 persons Relocate the existing Liquor Primary licence from 750 Pacific Boulevard to 45 Smithe

(Liquor Establishment Class 6 – Casino/Entertainment Venue). 3 restaurants; 2 lounges, casino and private gaming salons with zero increase in gaming Street and to amend the interior capacity from 2494 persons to 5000 persons to include Relocate the existing Liquor Primary licence from 760 Pacific Boulevard to 39 Smithe

parent or guardian, to enter in the hotel lounge licensed area until 10 pm when meal as a gaming facility. The applicant is also requesting to allow minors, accompanied by a service will be provided. This liquor licence is only in effect when the business is operating establishment. The outdoor patio hours will remain unchanged: 9 am to 11 pm, seven days a week. No music or entertainment will be permitted on the patio. Food and beverage Friday – Saturday, 9 am to 3 am. All types of entertainment may be permitted inside the There will be no change in liquor service hours: Sunday – Thursday, 9 am to 2 am and

1004 - 683 - 7277 PARQVANCOUVERCOM







	vancouver Vancouver	SAFETY AND SECURITY COMMITMENT
	STATE - OF - THE - ART TECHNOLOGY, STAFF & SECURITY DESIGN	parq Vancouver will incorporate state - of-the - art security design and technology. The resort will boast over 130 security and survelliance staff and over 800 security cameras to monitor and maintain both guest and community safety and security.
	24/7 MONITORING	Our public entrances and exits will be staffed and monitored 24/7.
	POSITIVE TRACK RECORD	The existing Edgewater Casino has a strong and positive track record of safety and security with the Vancouver Police Department and other law enforcement agencies, and this cooperative and constructive relationship will be maintained at the new facility at parq Vancouver.
220	220 - 858 BEATTY STREET, VANCOUVER (BC) V6B 1C1	PARQVANCOUVERCOM





