



ADMINISTRATIVE REPORT

Report Date: October 16, 2009
Contact: Lucia Cumerlato
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VanRIMS No.: 08-2000-20
Meeting Date: November 5, 2009

TO: Standing Committee on Planning and Environment

FROM: Chief License Inspector

SUBJECT: 1 Alexander Street - Provincial Rental Housing Corporation
Relocation of Liquor Primary Liquor Licence Application

RECOMMENDATION

THAT Council, having considered the opinion of local area residents and business operators as determined by neighbourhood notifications, noise impacts and relevant Council policy as outlined in this Administrative Report dated October 16, 2009, entitled "1 Alexander Street - Provincial Rental Housing Corporation, Relocation of Liquor Primary Liquor Licence Application", endorse the request by Provincial Rental Housing Corporation to relocate their existing Liquor Primary liquor licence (#029061) from 315 Carrall Street (Ranier Hotel) to 1 Alexander Street, subject to:

- i. Standard hours of operation for the first six months are limited to 11 am to 1 am, Sunday to Thursday; and 11 am to 2 am, Friday and Saturday; after which time the Extended hours of operation may be considered which are limited to 9 am to 2 am, Sunday to Thursday; and 9 am to 3 am, Friday and Saturday;
- ii. Food service to be provided during operating hours, seven days a week;
- iii. A maximum total capacity of 110 persons;
- iv. Acoustic report to be submitted certifying that the establishment meets Noise Control By-law requirements;
- v. Signing a Good Neighbour Agreement with the City prior to business license issuance; and
- vi. A Time-limited Development Permit.

GENERAL MANAGER'S COMMENTS

The General Manager of Community Services RECOMMENDS approval of the foregoing.

COUNCIL POLICY

Council Policy requires that amendments to existing Liquor Primary licenses be subject to public consultation and Good Neighbour Agreements.

On May 16, 2006, Council enacted amendments to the Business Premises Regulation of Hours By-law that implements the Hours of Liquor Service policy for the city bars into by-law regulation.

On July 14, 2005, Council approved policy and guidelines relating to the size and location for new liquor establishments or for capacity increases to existing liquor establishments.

On November 18, 2004, Council adopted the Hours of Liquor Service Policy that established a new model for regulating hours of liquor service for Liquor Primary establishments, based on an area approach and incorporating a two-tiered licensing system and impact reduction measures.

PURPOSE

The applicant, Provincial Rental Housing Corporation, is requesting a Council resolution endorsing their application to relocate their Liquor Primary liquor licence (#029061 - 110 patrons - Liquor Establishment Class 2) from 315 Carrall Street (Ranier Hotel) to the basement of 1 Alexander Street. The applicant is requesting operating hours of 9 am to 2 am, Monday to Thursday; 9 am to 3 am, Friday and Saturday, and 9 am to 1 am on Sunday.

BACKGROUND

Site History

Provincial Rental Housing Corporation purchased the Ranier Hotel in 2008 with the intention of converting this building into a social housing project. The liquor licence which is attached to this hotel is being relocated approximately 117 metres from 315 Carrall Street due to the social housing project.

If this application is endorsed, the applicant intends on transferring the ownership of the liquor licence #029061 from Provincial Rental Housing Corporation to Haddington Island Holdings Ltd who is the landlord of this building. There will be a third party operator on this licence. The third party operator currently operates the food primary establishment (Chill Winston) on the main floor of this building.

This is a four storey "Heritage A" building which consists of offices on the second, third and fourth floors and a restaurant (Chill Winston) and cabaret (The Modern) on the main floor. The basement is approved as storage and is currently vacant.

Application

The applicant is proposing to establish a 110 seat Liquor Establishment Class 2 (Lounge) in the basement at this location with licensed hours from 9 am to 2 am, Monday to Thursday; 9 am to 3 am, Friday and Saturday, and 9 am to 1 am on Sunday.

The establishment will be a lounge style operation featuring flavourful food and will cater to clientele living, working and shopping in the immediate neighbourhood as well as urban and corporate customers with a middle to upper income. Live entertainment such as jazz and blues music will build on the experience. The applicant intends on providing food service during operating hours, 7 days a week.

The proposed establishment is located in the basement of 1 Alexander Street (refer to Appendix B). The location is underneath an existing restaurant (Chill Winston). The lounge and restaurant will draw different clientele, but together they will draw a third demographic who are looking for a restaurant and lounge on the same evening, benefiting both establishments and reducing traffic congestion in the downtown core of the city.

The applicant maintains this establishment will enhance the diversity of the neighbourhood and not replicate what is already present. Liquor primary establishments in the vicinity are not catering to customers wishing to experience a lounge atmosphere. There are neighbourhood pubs, sports bars and nightclubs which feature disc jockeys and dancing, however, no lounges.

The establishment will work with provincial winemakers to showcase the British Columbia wine industry. There will be a walk-in wine cellar constructed in the existing space under the street.

The City of Vancouver hours of service policy for this Primarily Mixed-Use area allows for standard hours of liquor service from 11 am to 1 am on weekdays and 11 am to 2 am on weekends. If certain criteria are satisfied, the operator can extend their hours of liquor service to 9 am to 2 am on weekdays and 9 am to 3 am on the weekends. The applicant feels that there is a strong demand for this type of establishment which will provide quality food and beverage service in this unique neighbourhood. The presence of a lounge specific venue in Gastown will provide a non-competitive alternative to existing establishments already in the area. The lounge will provide a social gathering space for those in the community who wish to socialize in an adult environment and will promote social interaction over a fine glass of wine or spirits. It is anticipated that this location will also be utilized by the Vancouver Jazz, Folk and Writer's festivals and provide a venue for Canadian artists and musicians. The applicant will take all necessary measures to make sure their presence at this location will not disrupt the area residents.

Liquor Control and Licensing Branch (LCLB) Regulations and Policies

Branch regulations allow liquor service between the hours of 9:00 a.m. to 4:00 a.m. seven days a week for Liquor Primary licenses. The liquor license capacity for a new establishment is based on the building capacity for the premise as determined by the local authority. Any amendments/changes to a liquor licence application are subject to local government support.

Area Surrounding Premises

The subject site is located in Historic Gastown (HA-2) Zoning District and 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 retail, office, neighbourhood pubs, cabarets, restaurants, hotels, residential (non profit, market and non-market) and other commercial uses (refer to Appendix A).

There are two Liquor Establishment Class 2 (279 seats), six Liquor Establishment Class 3 (1,390 seats), one Liquor Establishment Class 4 (302 seats), one Liquor Establishment Class 5 (520 seats) and approximately 14 licensed restaurants within the 650' radius of the subject site.

RESULTS OF NOTIFICATION

A neighbourhood notification was conducted by circulating 800 notices in the survey area (See Appendix A). A site sign was erected advising the community of the application and where to send concerns or comments.

A total of 11 responses were received from residents, businesses and the Gastown Business Improvement Society within the notification area and surrounding areas. The responses consisted of nine in opposition to the application (9 emails - one of the emails had no attached address).

Concerns were expressed over increased noise, safety and nuisance issues in the neighbourhood.

There were two respondents in full support of the application which also included a letter from the Gastown Business Improvement Society unanimously supporting this lounge application.

Respondents supporting the application felt it would add to the revitalization of the area, fill the need in the area and be a good fit with the existing entertainment establishments in Gastown.

The applicant also held an "information open house" on September 25, 2009 from 8 pm to 10 pm at 1 Alexander Street which was attended by residents and business owners in the area who had received notices advising of the "open house". The purpose of this "open house" was for the applicant to give a tour of the premise and give a brief overview of the proposed operation. The applicant also addressed and responded to the concerns/issues which were identified at this meeting. Attendees were given the opportunity to provide their comments in writing during this "open house" which were collected and forwarded to city staff for information. 21 comments were provided during this meeting supporting the application.

DISCUSSION

Policy Issues

The subject site is located in the Downtown-Primarily Mixed Use area. The following policy issues apply in this area:

- The proposed Liquor Establishment - Class 2 venue must be greater than 100 metres away from another Liquor Establishment - Class 2 venue. Since there are no Liquor Establishments in this class within 100 metres of the site, the proposed establishment complies with Council's liquor policy for venue size and location.
- Policy also states that preference will be granted to applications relocating equivalent Liquor Primary liquor licence seats from an undesirable location within the City of Vancouver. This application complies with Council policy.

- Policy also supports the transfer of seats from Downtown South, the Downtown Eastside, Gastown and other areas of the city with a history of land use incompatibility issues. This application complies with Council policy.

Hours of Operation

The applicant is requesting hours of operation within the parameters of the extended hours permitted in the Downtown-Primarily Mixed Use Area. The applicant has requested hours of 9 am to 2 am, Monday to Thursday; 9 am to 3 am, Friday and Saturday, and 9 am to 1 am on Sunday. However, the hours of operation for the first six months of operation will be the standard hours for the area which are 11 am to 1 am, Sunday to Thursday; and 11 am to 2 am, Friday and Saturday. The applicant has requested that once the six month trial period has elapsed, that staff consider granting them the Extended hours of operation if no issues/concerns have been received. The applicant is aware that the Extended Hours Liquor Establishment Class of business license is contingent on continued compliance with additional bylaw regulations.

Affirmative Proposal Aspects

- The application complies with Council's liquor policy for venue size and location;
- The proposed operator has demonstrated the ability to operate his restaurant (Chill Winston) in a responsible manner;
- Council policy is to support relocation of Liquor Primary establishments out of the area of Downtown Eastside and areas of the City with a history of land use incompatibility issues and relocating equivalent Liquor Primary liquor licence seats from an undesirable location within the City of Vancouver;
- The fact that food service shall remain a component of the business will provide a mitigating factor to the liquor service and consumption;
- The applicant has indicated that the business will be owner managed and operated. Generally, staff experience indicates that owner operated liquor establishments are more responsive in correcting neighbourhood impacts once they are made aware of the issue(s); and
- The time-limited development permit should provide adequate controls to ensure the land use/business remains compatible with the surrounding community.

Negative Proposal Aspects

Approval of the establishment may result in increased street noise and other related nuisance behaviour for area residents and business operators. Strong management and sound operational practices should limit this type of activity from having a negative impact on the surrounding community.

COMMENTS

The Police Department has reviewed the application and does not have specific concerns with respect to this application.

The Development Services Department has reviewed the application and notes that this application falls within the HA-2 Zoning District and the building is listed as Municipally Designated Heritage 'A'. The approved use of this building is Office, Restaurant Class 1, and Cabaret. The proposal for a Neighbourhood Pub (Liquor Primary) constitutes a change of use under the zoning and will require a Development Permit. Noting that this space is currently approved as a Cabaret (Liquor Primary), this will be factored into the review process which

will include an assessment of the impacts of such a facility on nearby sites and compatibility with surrounding uses. This proposal will also be reviewed in accordance with provisions of the Neighbourhood Public House Guidelines adopted by City Council.

The Vancouver Fire Department has advised that the applicant must submit full scale drawings and apply for a new occupant load for a capacity of 110 persons.

The Social Development Department has reviewed the application and has no comments at this time, stating that the transfer of licence is virtually in the same area.

The Central Area Planning Department has reviewed the application and has no comments at this time.

The Heritage Planning Department has reviewed the application and supports the application, stating that the application does not affect the exterior of the existing heritage building.

Comments to Satisfy LCLB Resolution Requirements:

Location: as noted previously.

Person capacity and hours of operation: as outlined above.

Market Analysis: The City of Vancouver has no authority to regulate an operator's clientele/target market. As a result, commenting or basing a decision on Market Analysis is an unproductive use of staff time.

Traffic, noise, parking and zoning: staff have considered traffic, noise, parking and zoning matters. Staff have no concerns with traffic and zoning at this time. The zoning is HA-2 which considers "lounge use" a "conditional" use within this zoning district. The traffic and zoning matters will be considered further as part of the Development Permit process.

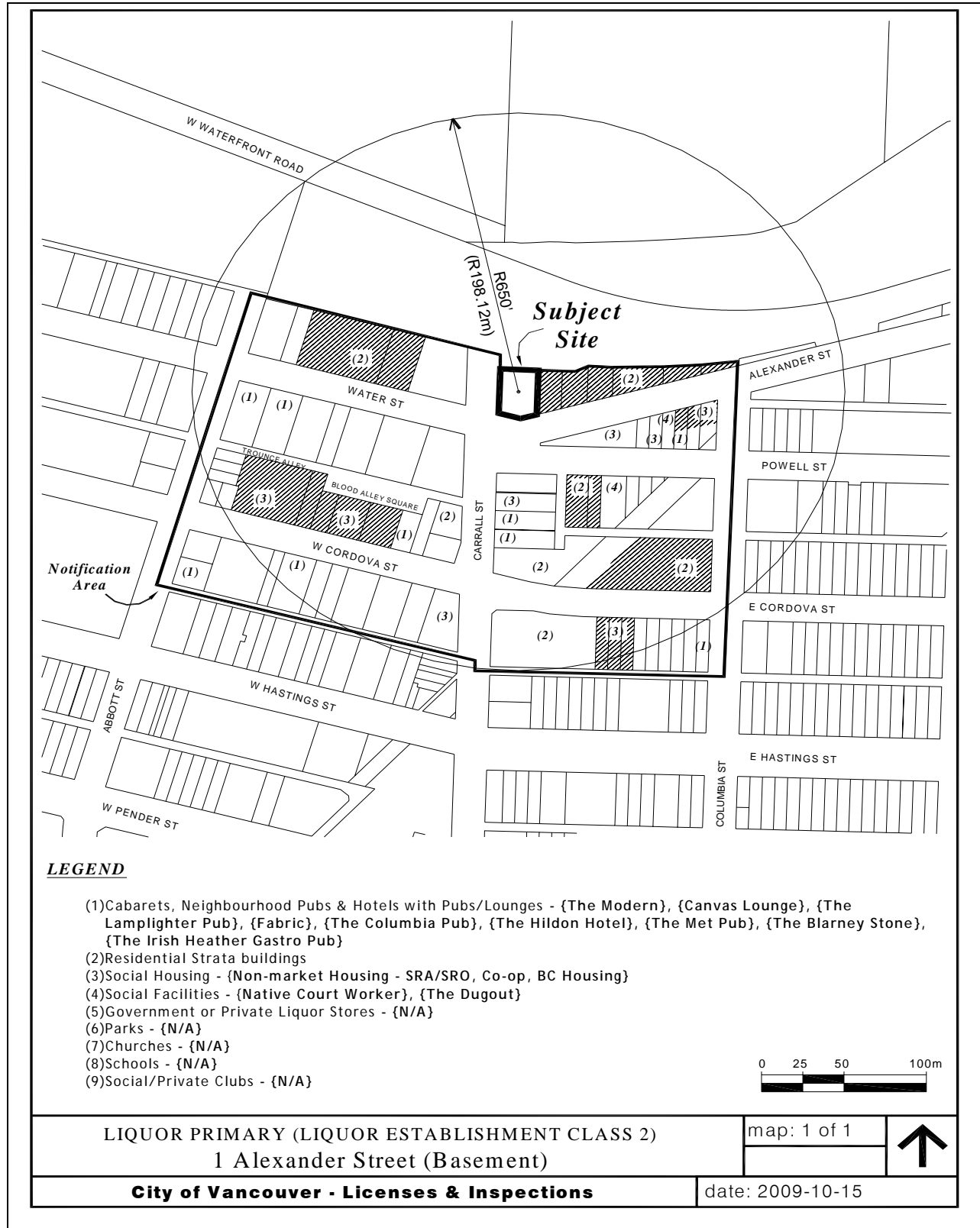
FINANCIAL IMPLICATIONS

There are no financial implications.

CONCLUSION

Staff are recommending Council endorse the applicant's request to relocate their existing Liquor Primary liquor license to 1 Alexander Street subject to the conditions outlined in Recommendation A. This application meets current Council policy regarding size and distance from other establishments. It also meets the intent of Council policy for relocating Liquor Primary establishments out of areas of the City with a history of land use incompatibility issues and relocating equivalent Liquor Primary liquor licence seats from an undesirable location within the City of Vancouver. The requirement for a Development Permit and Good Neighbour Agreement will ensure the premise operates in a manner conducive to the surrounding area.

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APPENDIX B
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