

Supports Item No. 2 CS&B Committee Agenda May 20, 2010

# ADMINISTRATIVE REPORT

Report Date:May 6, 2010Contact:Lucia CumerlatoContact No.:604.871.6461RTS No.:08567VanRIMS No.:08-2000-20Meeting Date:May 20, 2010

# TO: Standing Committee on City Services and Budgets

FROM: Chief Licence Inspector

SUBJECT: 300 Cambie Street - The Cambie Malone's Corporation, Liquor Primary Liquor Licence Application for an Increase in Person Capacity and a Change to Existing Patio Seats (Food Primary seats) to Liquor Primary Seats (Cambie Hotel)

# 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 May 6, 2010, entitled "300 Cambie Street - The Cambie Malone's Corporation, Liquor Primary Liquor Licence Application for an Increase in Person Capacity and a Change to Existing Patio Seats (Food Primary seats) to Liquor Primary Seats (Cambie Hotel)", endorse the request by The Cambie Malone's Corporation for an increase in person capacity for the Liquor Primary liquor licence (Licence #024168 - Liquor Establishment Class 3) from 191 seats to 275 seats via the conversion of 84 existing restaurant seats (Food Primary liquor licence) and the conversion of 55 patio restaurant seats to liquor primary seats (as determined by Council Policy) at 300 Cambie Street (Cambie Hotel), subject to:

- i. A maximum interior capacity of 275 persons;
- ii. A Time Limited Development Permit;
- iii. The patio ceasing all liquor service and vacated by 11 pm;
- iv. A maximum capacity of 55 persons on the patio;
- v. No music permitted on the patio;
- vi. Signing a Good Neighbour Agreement with the City prior to the issuance of the revised business license and a licence agreement with Engineering Services with an initial one-year term for the patio;
- vii. The surrendering of the existing Food Primary liquor licence #159721 at the time of issuance of the Liquor Primary liquor licence;

- viii. Food service to be provided while the establishment is operating as well as on the patio when open; and
- ix. Arrangements, to the satisfaction of the Director of Planning, for an updated heritage conservation plan and schedule for the completion of restoration and rehabilitation work to the exterior facades of the building.

# 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 liquor licences be subject to public consultation and Good Neighbour Agreements.

Outdoor patios on **public property (City streets)** are permitted through licence agreements subject to meeting Council-approved guidelines.

On April 17, 2007, Council approved policy and guidelines that Liquor Primary liquor establishments be permitted to have sidewalk patios on public property subject to the current Council-approved sidewalk patio guidelines for restaurants and subject to additional restrictions which would apply to liquor primary patios on both public and private property. These restrictions included food service (Provincial Food Premises Operating permit from Vancouver Coastal Health), including consideration as to whether the food preparation area is large enough to safely handle the 20% increase, closing time of no later than 11:00 p.m., outdoor seating limited to 20% of total seating capacity, no sidewalk patios adjacent to liquor establishments in the 700, 800 and 900 blocks of Granville Street and public consultation.

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 Cambie Malone's Corporation is requesting a Council resolution endorsing their application for an increase in person capacity to their existing Liquor Primary liquor license from 191 seats to 275 seats (Liquor Establishment - Class 3) due to the conversion of 84 existing restaurant seats (Food Primary liquor license) and the conversion of 55 patio restaurant seats to liquor primary seats (Cambie Hotel) located at 300 Cambie Street.

### BACKGROUND

## Site History

The Cambie Malone's Corporation has been operating at this location since March 1990. Currently, they hold a Food Primary and Liquor Primary licence(#159721 and #024168, respectively) that function as "Cambie Hotel". The conversion of the food primary seats (84 interior seats and 55 patio seats) to liquor primary seats is the subject of this report. By converting the Food Primary seats into Liquor Primary seats, the applicant feels they will be better able to manage the two areas (see Appendix B). The applicant also feels that this change in seating will have no impact on the local area as these are existing food primary seats which are being converted to liquor primary seats.

The Cambie Hotel is listed in the "B" evaluation category on the Vancouver Heritage Register and is a municipally designated heritage site located in the Gastown historic area. This is a three storey building consisting of a hotel on the second and third floors (42 sleeping units, one dwelling unit, one housekeeping unit) and a limited service food establishment at 320 Cambie Street (Rebels) as well as the restaurant and pub at 300 Cambie Street.

## Application

The applicant is requesting a Council resolution endorsing their application for an increase in person capacity to their existing Liquor Primary liquor license from 191 seats to 275 seats (Liquor Establishment - Class 3) due to the conversion of 84 existing restaurant seats (Food Primary liquor license) and the conversion of 55 patio restaurant seats to liquor primary seats (Cambie Hotel). The applicant proposes that the venue will continue to cater to their existing clientele. The applicant contends that food service shall remain an integral component of the pub (Liquor Establishment - Class 3) business.

The interior hours of operation will remain unchanged (11 am to 1 am, Sunday to Thursday; 11 am to 2 am, Friday and Saturday) which are the standard hours of operation for this area. The patio hours of operation will also remain unchanged (11 am to 11 pm, seven days a week).

Under the recent changes made to hours of liquor service for all licensed restaurants (1 am Sunday to Thursday and 2 am Friday and Saturday), this restaurant (food primary) can serve liquor between the same hours as the existing pub (liquor primary) at this location. Therefore, there would be no changes to their existing hours of liquor service should this application be approved.

#### Liquor Control and Licensing Branch (LCLB) Regulations and Policies

Branch regulations allow the licensing of liquor establishments with a Liquor Primary liquor licence and liquor service between the hours of 9:00 a.m. to 4:00 a.m., seven days a week. The liquor licence capacity for a new establishment is based on the building capacity for the premise as determined by local authority. Any amendments/changes to a liquor licence application is subject to local government support. The LCLB has no specific policy for patios.

#### 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, hotel, residential (non-profit, market and non-market), Victory Square Park, schools (Vancouver Film School and ESL schools) and other commercial uses (refer to Appendix A).

Within a 500' radius of the subject site, there are five (5) Liquor Establishment Class 2 (Pub 340 - 112 seats; Steamworks - 143 seats; Lotus Sound Lounge - 150 seats; Lotus Honey Lounge - 134 seats; and Lotus Lick Club - 75 seats). In addition, there is one (1) Liquor Establishment Class 3 (200 seats) and one (1) Liquor Establishment Class 4 (435 seats). The combined total of seats for all classes is 1,249 seats. Moreover, there are approximately 17 licensed restaurants (Food Primary Licence) within the area and one (1) private full service liquor retail store (395 Water Street).

# **RESULTS OF NOTIFICATION**

A neighbourhood notification was conducted by circulating 600 notices in the survey area (see Appendix A). Two site signs were erected advising the community of the application and where to send concerns or comments. Staff allowed three weeks for the community to respond with concerns or support for the application.

A total of six (6) responses (four e-mails and two telephone calls) were received. All responses were from nearby residents opposing the application. Concerns were expressed over increased noise, safety, nuisance issues and disturbances in the neighbourhood.

#### DISCUSSION

### Policy Issues

The subject site is located in the Downtown-Primarily Mixed Use area. The capacity increase does not result in a change to the establishment's business license class (i.e. the business remains a Liquor Establishment - Class 3). Therefore, the distancing policy between similar establishments does not become a factor for consideration.

The proposed conversion of 55 patio restaurant seats to liquor primary seats is consistent with Council's policy for outdoor patios with respect to the permitted seating capacity. The policy states that outdoor seating for patios is limited to 20% of total seating capacity of the liquor primary establishment. For this application, policy would allow for a 55 seat patio. Staff generally support outdoor patio areas subject to comments from the neighbourhood. In this case, there are some concerns from the surrounding neighbourhood regarding the conversion of the existing restaurant patio seats to liquor primary seats. The licence agreement with Engineering Services with an initial one-year term for the patio and 11:00 p.m. closing time should address any potential problems. There will be no change to the existing patio operation. The applicant will be reducing his current patio seating from 77 seats (food primary) to 55 seats (liquor primary) in order to meet Council policy.

#### Hours of Operation

The hours of operation will remain unchanged. The interior hours of operation are 11 am to 1 am, Sunday to Thursday; 11 am to 2 am, Friday and Saturday. These are the same hours of liquor service permitted for all licensed restaurants. The patio hours of operation will also remain unchanged which are 11 am to 11 pm, seven days a week.

# Positive Proposal Aspects

The applicant contends the approval will have no impact on the local area as the conversion of the existing 84 (restaurant/food primary) interior seats and 55 restaurant patio seats are already there. The reduction of patio seats from 77 to 55 should address the concern around noise and potential nuisance issues. The applicant contends the approval will facilitate the resolution of the problem they are having with controlling the flow of patrons in the establishment between the Restaurant and Pub areas. This approval will also allow staff to easier manage the two areas with respect to City and Provincial regulations.

Very little is likely to change with respect to how the premise currently operates. Food service shall continue to be encouraged throughout the premise. Should Council support this application, then the applicant will simply have more flexibility to serve and accommodate those clients that only wish to consume alcohol. The public perception of how this business operates should remain the same even after the conversion of the food primary seats to liquor primary seats.

Finally, the time-limited development permit should provide adequate controls to ensure the land use/business remains compatible with the surrounding community.

## Negative Proposal Aspects

Staff feel that the capacity increase via the conversion of these existing food primary seats to liquor primary seats may create additional noise and nuisances issues for the surrounding area.

## Enforcement History

Staff have received some complaints regarding patrons smoking next to the entrance which is a violation of Health Bylaw No. 9535. The bylaw requires a six metre setback from any entryway, openable window or air intake of a building. Staff have contacted the operator and are dealing with this issue.

#### FINANCIAL IMPLICATIONS

There are no financial implications.

#### **COMMENTS**

*The Police Department* has reviewed this application and does not support this application for the conversion of 86 Food Primary seats to Liquor Primary seats.

The gradual revitalization of Gastown, in particular the Cordova and Cambie area has recently been accelerated by the increase in residential developments (Woodward's Project), Food Primary and Liquor Primary locations, several art galleries holding private events and the relocation of Simon Fraser University.

Liquor seats that existed on paper, but remained dormant have been relocated into the area. These places, along with existing Liquor Primary Licensed establishments that once were not busy, have undergone extensive renovations; now are lined up to gain entry. Consideration must also be given to proposed future projects like Storyeum.

Calls for service in the Gastown area and the Downtown eastside peak during prime liquor service hours, particularly on Friday and Saturday nights. These calls include both incidents of violent crime and public disorder. The Beat Enforcement Team is designed to handle the

average weekly call load however does not have sufficient resources to deal with the increase in calls for service generated by the licensed establishments in the area. At this time they can not adequately respond to the additional calls that will be generated by additional liquor seats with the existing resources.

*The Engineering Service Department* has reviewed this application and advise that Engineering would support this application as long as the patio met the maximum 20% occupancy requirement.

*The Development Services Department* has reviewed this application and advises this site is located in the HA-2 zoning district (Gastown Historic Area). Our records confirm that the current approved use of the space in question is Restaurant Class 1.

The proposal to change the use of a portion of this Restaurant and associated patio space to expand the "Neighbourhood Pub" (Liquor Primary) use at this location will constitute a change of use and will require a development permit application. The review process for this type of approval would include an assessment of neighbourhood impacts, including compatibility with surrounding uses, hours of operation, social and policing impacts and noise control. As well, this application would be reviewed in accordance with the provisions of the Neighbourhood Public House Guidelines adopted by City Council.

*The Vancouver Fire Department* has reviewed this application and advises that an Occupant Load Certificate has been issued for a maximum capacity of 275 persons inside and 55 persons on the patio.

The Social Development Department has reviewed this application and has no comments.

*The Central Area Planning Department* has reviewed this application and advise there are no concerns regarding the proposed use and operations of this facility. An Operational Management Plan should be established as a condition of use.

*The Heritage Planning Department* has reviewed this application and advises the Cambie Hotel is listed in the "B" evaluation category on the Vancouver Heritage Register and is a municipally designated heritage site located in the Gastown historic area.

In the past, the owners have proposed restoration and rehabilitation work to the exterior facades of the building when seeking approvals to change uses in the building. Details on this restoration and rehabilitation work have been included by the applicant on approved Development Permits as far back as 1995, however the work to the facades has not been completed and remains outstanding. The owner has been advised on several occasions that this work would need to be completed prior to consideration of any further development permit approvals.

# CONCLUSION

Staff are RECOMMENDING Council endorse the applicant's request for a capacity increase from 191 seats to 275 seats via the conversion of 84 existing restaurant seats (food primary liquor licence) and the conversion of 55 patio restaurant seats to liquor primary seats at 300 Cambie Street.

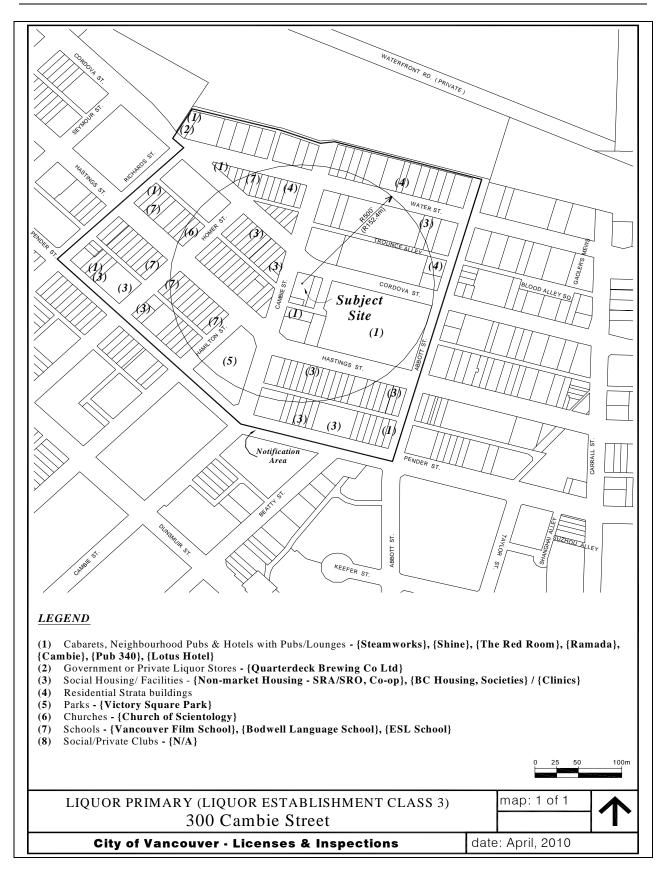
Given the proposed patio size and the license agreement subject to terms, staff do not anticipate any significant impacts from the operation of this patio and the conversion of the 84 restaurant seats.

Unfortunately, the location of the establishment may exacerbate the problems in this area and further impact the limited Police resources currently available to deal with issues. Police have concerns with the application due to the high number of Police calls concentrated in this area.

The heritage restoration of the exterior of this building which was committed to by the applicant some time ago, remains outstanding.

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### APPENDIX A PAGE 1 OF 1



## APPENDIX B PAGE 1 OF 1

