

## ADMINISTRATIVE REPORT

Report Date: September 28, 2011 Contact: Lucia Cumerlato Contact No.: 604.871.6461

RTS No.: 09310 VanRIMS No.: 08-2000-20

Meeting Date: October 20, 2011

TO: Standing Committee on Planning and Environment

FROM: Chief Licence Inspector

SUBJECT: 1660 East Broadway - Shameless Lee Productions Limited

Liquor Primary Liquor Licence - The Rio Theatre

#### **RECOMMENDATION**

THAT Council, having considered the opinion of area residents and business operators of the community as determined by neighbourhood notifications, site sign, the proximity of residential developments, potential noise impacts and relevant Council policy as outlined in the Administrative Report dated September 28, 2011, entitled "1660 East Broadway - Shameless Lee Productions Limited, Liquor Primary Liquor Licence - The Rio Theatre", endorse the application by Shameless Lee Productions Limited, for a Liquor Primary liquor licence (Liquor Establishment Class 5 - Live Venue) at 1660 East Broadway (The Rio Theatre) subject to:

- i. A maximum capacity of 582 seats (474 seats on Main Floor and 108 in upper balcony) and an occupant load of 46 persons on stage;
- ii. Hours of operation limited to 11 am to 12 am, Sunday to Thursday and 11 am to 1 am, Friday and Saturday;
- iii. A signed Good Neighbour Agreement prior to business licence issuance;
- iv. Acoustic report to be submitted certifying that the establishment meets Noise Control By-law requirements; and
- v. Liquor service only permitted in conjunction with pre-booked live events.

#### GENERAL MANAGER'S COMMENTS

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

#### COUNCIL POLICY

Council policy requires new Liquor Primary liquor licences to be subject to a Time-Limited Development Permit, Good Neighbour Agreement, and public consultation.

On February 3, 2011, Council received for information an update on the Live Performance Venues Regulatory Review as outlined in the Administrative Report dated January 18, 2011, entitled "Cultural Services Regulatory Review for Live Performance Venues: Phase I".

On May 16, 2006, Council enacted amendments to the Business Premises Regulation of Hours Bylaw 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.

On March 23, 1993, Council adopted a policy to consider, on a case-by-case basis, requests from non-profit arts organizations seeking Council's endorsement towards obtaining a provincial liquor license without going through the referendum process, based on the results of the preliminary neighbourhood notification.

### **PURPOSE & SUMMARY**

Shameless Lee Productions Limited, located at 1660 East Broadway, is seeking Council resolution endorsing their application for a 582 total capacity Liquor Primary liquor license (Liquor Establishment - Class 5 - Live Venue) and hours of licensing of 12 pm (noon) to 12 am (midnight), Sunday to Thursday and 12 pm (noon) to 1 am, Friday and Saturday. The standard hours for this area under the policy are 11 am to 12 am, Sunday to Thursday and 11 am to 1 am, Friday and Saturday. The applicant proposes to only serve liquor in conjunction with prebooked live ticketed events including musical concerts, comedy shows, variety shows, theatre and plays and speaker events. Operating the Rio Theatre as an exclusive single screen movie cinema is no longer a viable business option for the applicant. Therefore, the Rio Theatre plans to use its creative programming to become a successful multimedia live concert venue. The applicant is committed to supporting local and international artists by providing a professional venue for performers that add diversity to East Vancouver's thriving artistic community and culture.

The Rio Theatre has already created a rich cultural community for the Commercial Drive neighbourhood with its creative programming for over 3000 adult members attending events during the year. Endorsement of the Rio Theatre would further benefit the community by providing:

- a medium sized entertainment venue which focuses on live entertainment;
- employment opportunities for residents of the community;

- a location for fundraising and community events;
- an additional live venue in the City for artists and musicians.

The Rio Theatre will be catering to a mature clientele and any live entertainment will be at a moderate amplification level. The establishment is located along a major commercial corridor and transit station of the city and therefore will not increase the noise in the neighbourhood. The venue walls have been designed to keep sounds contained and doors will be closed at all times when music is playing. The theatre will provide a space for all members of this creative community to interact and will be a benefit to the non-profit cultural community. This application also fits in with Council's support for Cultural Services Regulatory Review for Live Performance Venues. Staff are recommending support for this application based on reasons outlined in this report.

## **BACKGROUND**

### Site History

Built in 1938, the Rio Theatre has a full stage, and although currently being run mainly as a cinema, has hosted many live local and international acts over the past three years, relying upon special occasion licenses for liquor service during these performances. The theatre consists of two levels, the main floor which includes the stage (movie screen area), lobby, washrooms and concession and the balcony which includes the projection room, office and electrical room. The venue has fixed seats on the main floor and balcony. There is also an open "standing" area in front of the stage. There are two service bar areas, one located next to the stage and the other located in the lobby.

# **Application**

The applicant is requesting a council resolution endorsing their application for a Liquor Primary licence with hours of licensing between 12 pm (noon) to 12 am (midnight), Sunday to Thursday and 12 pm (noon) to 1 am, Friday and Saturday. The standard hours for this area under the policy are 11 am to 12 am, Sunday to Thursday and 11 am to 1 am, Friday and Saturday. The applicant proposes to only serve liquor in conjunction with pre-booked live ticketed events such as musical concerts, comedy, variety shows, theatre and plays and speaker events. Food offered for sale would consist of light fare such as sandwiches and bar snacks.

The theatre has fixed seating. The approved occupant load is 474 persons on the main floor and 108 persons in the balcony (refer to Appendix B).

Council's endorsement of this proposal would benefit the community by providing a medium sized entertainment venue focusing on live entertainment. There are no liquor primary establishments in the immediate vicinity that cater to live events. The closest liquor primary licensed establishments in the immediate vicinity are Toby's Neighbourhood Pub and the Royal Canadian Legion. Both of these establishments focus on food and beverage service and attract a different clientele than the one desired by the applicant. The applicant is committed to supporting local and international artists by providing a professional venue for performers that add diversity to East Vancouver's thriving artistic community and culture. This application also fits in with Council's support for Cultural Services Regulatory Review for Live Performance Venues.

# 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 licences. The liquor licence capacity for a new establishment is based on the building capacity for the premise as determined by the local authority. Any new liquor licence application is subject to local government support. Event driven liquor licenses are associated with "live" events only. Once licensed as a Liquor Primary establishment, minors would not be permitted and the venue could not continue to operate as a movie theatre.

## Area Surrounding Premises

The subject site is zoned as C3A Commercial District. The intent of this zoning is to provide for a wide range of goods and services, to maintain commercial activities, specialized services and some light manufacturing enterprises while preserving the character and general amenity of the area and its immediate surroundings and to provide for dwelling uses designed compatibility with commercial uses. The surrounding area is a mixture of retail, restaurants, church, social facilities (including medical clinics and wellness centre), residential and other commercial uses (refer to Appendix A).

There are two licensed restaurants and no Liquor Primary establishments within an 800' radius of the subject site.

## **RESULTS OF NOTIFICATION**

A neighbourhood notification was conducted by circulating approximately 350 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. Staff allowed three weeks for the community to respond with concerns or support for the application.

A total of twenty-six responses were received in response to the neighbourhood notification. The following table summarizes the results of the notification:

	Within Notification	Outside	No contact	Total
	Area	Notification Area	information	
Support	5	7	10	22
Opposed	3		1	4

Rio Theatre management also held an open house on Saturday, September 17, 2011. Flyers were distributed to the neighbours announcing the open house and approximately twelve persons attended. According to the applicant, all seemed supportive of the theatre's conversion from a movie theatre to a live-event venue.

The applicant also submitted an online petition with 1022 signatories in support of the application. This petition includes names, phone numbers, addresses and all pertinent comments.

Respondents in support believe that the Rio theatre is a valuable part of the community and the last independent movie house in East Vancouver. Many expressed how much they valued the culture and history the theatre brings to the Broadway/Commercial area and emphasized its strong commitment to the arts, through hosting several local film festivals and live

performances, Sunday church services and many small, independent films. Many respondents noted that with movie theatres closing all over the Vancouver area, the Rio has found an innovative way to expand their business and increase revenue to remain viable. This type of venue is integral to the viability of live music, particularly up and coming artists, and to the health of a strong community such as the Commercial Drive area. The operator was also considered by many to be a vibrant, creative and responsible member of the neighbourhood.

The few respondents opposing the application felt that the immediate primarily residential neighbourhood does not need another Liquor Primary establishment in such close proximity and had concerns of increased nuisance issues and disturbances for the community.

#### DISCUSSION

# Policy Issues

The applicant is requesting operating hours of 12 pm (noon) to 12 am (midnight), Sunday to Thursday and 12 pm (noon) to 1 am, Friday and Saturday in conjunction with the various live events. This coincides with the standard hours for this area under the Council approved liquor policy for Business premises Regulation of Hours By-law policy, which implements the Hours of Liquor Service for liquor primary establishments, which are 11 am to 12 am, Sunday to Thursday and 11 am to 1 am, Friday and Saturday.

Staff are generally in support of liquor licenses in theatre type venues. The Queen Elizabeth Theatre, Centre for Performing Arts and Stanley Industrial Alliance Theatre provide liquor service in conjunction with performances. This application differs somewhat from these other venues because liquor service will be provided in the seating area of the theatre. The liquor licences for both the Vogue Theatre and the recently approved Rickshaw Theatre allow liquor service in the seating area.

Over the last while, the applicant has been applying for "Special Occasion Licenses" through the Liquor Distribution Branch in order to serve liquor for certain events held in this venue. Under a Special Occasion Licence, minors are permitted to attend events with liquor service which is a concern for Vancouver Police Department and city staff. Under a proper liquor primary liquor licence, minors will not be permitted to attend events unless the applicant delicenses for the event. The Rio is considered a well-run facility with no recent enforcement history. Liquor service has been and will continue to be an additional amenity for the patrons.

The Good Neighbour Agreement and a condition that liquor will only be served in conjunction with pre-booked events will help to ensure minimal impacts on the community.

# FINANCIAL IMPLICATIONS

There are no financial implications.

#### **COMMENTS**

The Police Department has no immediate concerns with respect to this application. The area is primarily commercial and already supports the existing operation. The applicant must be clear that the Liquor Primary License is event driven and that liquor may only be

served at cultural live events. The Rio Theatre must no show motion pictures as the holder of a Liquor Primary license.

The Vancouver Fire Department has reviewed the application and approved an occupant load for 582 seats (474 seats on Main Floor and 108 in upper balcony). An occupant load of 46 persons has also been approved for the stage.

The Planning Department has reviewed this application and has no comment at this time.

The Development Services Department has reviewed this application and advises as follows:

This site is zoned C-3A and the current approved use of the building is "Theatre". This use is consistent with the proposal to provide a variety of live entertainment options including concerts, variety shows, theatre performance and speaker events in a theatre format. The proposal to introduce an event driven liquor service does not alter the existing approved use under the Zoning.

Should Council support this Liquor License application, a Development Permit may be required to reflect any conditions imposed by Council.

The Social Development Department has reviewed the application and is in support. Staff note there are over 400 non-market housing units within a two block radius of the site.

The Cultural Services Department has reviewed the proposal and has no obvious objections to the proposal. However, the department noted the following:

We do not understand or support the BC Liquor Licensing Branch determining that a so called "live performance venue" would preclude showing feature films/motion pictures. We do not support any such restriction. The Rio is a cinema theatre that is adapting their programming to include live performance. The City's Culture Plan and Cultural Facilities Priorities Plan all support evolving programs such as this and multi-dimensional cultural venues.

# 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 and have no concerns at this time. These matters will be considered further as part of the Development Permit process.

# **CONCLUSION**

Staff recommend Council endorse the applicant's request for a Liquor Primary liquor licence for their live venue theatre, subject to the limiting conditions. Staff experience generally shows that liquor service in these venues is an amenity for patrons and not the primary focus of the business. Staff feel it is much more preferable to have this building continue to function as a live venue theatre with the proper type of liquor licence. Clearly, the liquor licence is needed to provide revenue to support retaining the theatre function of the building. The Rio Theatre is an important cultural venue in the city and staff, with support from the surrounding community, welcome and encourage its preservation and ongoing cultural use.

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