

COUNCIL MEMBER'S MOTION

3. Dual Licenses, Cocktail Culture, and Vibrant Urban Nightscapes

Submitted by: Councillor Fry

WHEREAS

1. A vibrant and mixed nighttime economy can encourage tourism, boost the local economy, and contribute to shaping places where people live, work, and play;
2. The COVID-19 pandemic has significantly undermined the viability and vitality of Vancouver's nighttime economy and entertainment districts. The result of less nighttime visitors and activity has resulted diminished economic returns and employment, and seen a marked increase in vandalism, property destruction, and concerns for public safety;
3. Large destination nightclubs -- once a significant driver of the nighttime economy -- have been experiencing a decline since before the pandemic. Areas like the Toronto Entertainment District and Granville Entertainment District (GED) have been seeing steady diminution of nightclubs in response to changing tastes, land use priorities, economics, and what some analysts refer to as the commercialization and 'McDonaldisation' of urban nightlife leaving consumers with an increasingly standardized experience;¹
4. Experiential hospitality has filled the place of club culture, offering different themes, culinary, and cocktail experiences. Instead of binge drinking and loud crowded nightclubs; many consumers are seeking out cozier and more intimate spaces to gather and enjoy drinks, a meal, or late-night cocktails;²
5. Many restaurants (experiential or otherwise) will pursue a dual license that enables a licensed restaurant (Food Primary) to convert to a bar or lounge later in the evening (Liquor Primary). This allows the establishment to stay open and serve patrons later, but not have to keep an otherwise unnecessary full kitchen open and staffed;
6. The City of Vancouver classifies bars and lounges as Liquor Establishments and variously as:
 - a. Class 1, where the person capacity does not exceed 65;
 - b. Class 2, where the person capacity does not exceed 150;
 - c. Class 3, where the person capacity does not exceed 300;
 - d. Class 4, where the person capacity does not exceed 500;
 - e. Class 5, where the person capacity does not exceed 950; and
 - f. Class 6, where the person capacity exceeds 950;
7. Under the BC Liquor Control and Licensing Act (2017), dual licensing allows that a service area may be subject to both a Liquor Primary and a Food Primary licence as long as the licences are held by the same licensee. Food Primary licensees can apply to the Liquor and Cannabis Regulation Branch (LCRB) for a

Liquor Primary licence at the same location to operate as a bar or nightclub after a specified hour;³

8. The City of Vancouver supports dual licensing applications from existing Food Primaries (FP) to operate under Liquor Primary (LP) licences after 10:00 pm provided that they meet the City's existing procedural and policy standards for LP establishments;
9. The City of Vancouver supports dual licensing applications EXCEPT for Food Primaries in the DTES and GED, where there exists a moratorium on new LP licenses. Notwithstanding the two moratoria, the City otherwise provides input on all LP licence applications to the LCRB;⁴
10. The DTES and GED moratoria were introduced in 2012 and 2017 respectively. In both cases the rationale was that a high concentrations of establishments serving liquor posed immediate harms to neighbourhood residents and visitors, such as violence associated with intoxication, and nuisance. These problem establishments were typically designed and operated as LP operations, generally large nightclubs and beer parlours. The moratoria did not consider dual licensing for FP establishments, market trends, or pandemic recovery;
11. Notwithstanding the moratoria and licensing limitations, many (relatively) newly opened FP Vancouver bars and restaurants in Chinatown and Gastown are winning international awards and accolades,⁵ contributing to vibrant nightscape, the animation of struggling and moribund districts, and local economy and employment. Dual licensing would benefit most if not all of these FPs by allowing reduced overhead and extended hours, and contributing direct and indirect activation and stewardship of their respective nightscapes; and
12. Since the 2012 and 2017 moratoria, Council have given support to develop *A Comprehensive Strategy for Realizing the Full Potential of the Nighttime Economy in the City of Vancouver*,⁶ and enable pandemic recovery by way of *One Time Exceptions to Liquor Primary Establishment Distancing and Moratoria*.⁷

THEREFORE BE IT RESOLVED

- A. THAT Council direct staff to lift the moratoria on Liquor Primary licensing in the DTES and GED specifically to allow eligible Food Primary licensees to apply for Dual Licensing for Class 1 and 2 Liquor Establishments only, under the regular citywide and provincial terms and conditions, allowing for additional considerations specific to the DTES and GED as necessary and expected.
- B. THAT Council direct staff to report back in one year with any findings and recommendations resulting from new dual licensing program in the DTES and GED by Q2 2023.

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1. Urban Nightscapes: Youth Cultures, Pleasure Spaces and Corporate Power https://books.google.ca/books?id=pAlQWhGLJQ4C&source=gbs_navlinks_s

2. Nation's Restaurant News: Bars rebound with more intimate spaces, emphasis on experience
<https://www.nrn.com/beverage-trends/bars-rebound-more-intimate-spaces-emphasis-experience>
3. BC Liquor Policy Manual, 13.2 Dual Licensing
https://www2.gov.bc.ca/assets/gov/employment-business-and-economic-development/business-management/liquor-regulation-licensing/guides-and-manuals/liquor_policy_manual.pdf
4. Liquor Policy Review - Recommended Actions, 2017 VanRims 08-2000-20
<https://council.vancouver.ca/20170614/documents/cfsc4.pdf>
5. Small city, big drinks scene: Why Vancouver's flourishing cocktail culture is world-class
<https://www.thestar.com/life/travel/2022/03/25/small-city-big-drinks-scene-why-vancovers-flourishing-cocktail-culture-is-world-class.html>
6. A Comprehensive Strategy for Realizing the Full Potential of the Nighttime Economy in the City of Vancouver
<https://council.vancouver.ca/20190528/documents/motionb6.pdf>
7. One Time Exceptions to Liquor Primary Establishment Distancing and Moratoria
<https://council.vancouver.ca/20210330/documents/r2.pdf>