



ADMINISTRATIVE REPORT

Report Date: April 2, 2009  
Contact: Lucia Cumerlato  
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RTS No.: 08013  
VanRIMS No.: 08-2000-20  
Meeting Date: May 21, 2009

TO: Standing Committee on Planning and Environment

FROM: Chief License Inspector

SUBJECT: 1128 West Georgia St - KBK No. 11 Ventures Ltd.,  
Liquor Primary Liquor License Application with Outdoor Patio Seating  
Shangri-La Hotel

*RECOMMENDATION*

- A. 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 April 2, 2009, entitled "1128 West Georgia St - KBK No. 11 Ventures Ltd., Liquor Primary Liquor License Application with Outdoor Patio Seating", endorse the request by KBK No. 11 Ventures Ltd. for a Liquor Primary liquor licence (Liquor Establishment Class 2 - Hotel Lounge) at 1128 West Georgia Street (Shangri-La Hotel) subject to:
- i. Standard hours of operation for the first six months are limited to 11:00 a.m. to 1:00 a.m., Sunday to Thursday; and 11:00 a.m. to 2:00 a.m., Friday and Saturday; after which time the Extended hours of operation may be considered which are limited to 9:00 a.m. to 2:00 a.m., Sunday to Thursday; and 9:00 a.m. to 3:00 a.m., Friday and Saturday;
  - ii. The patio ceasing all liquor service and vacated by 11:00 p.m.;
  - iii. A maximum total capacity of 110 persons inside and 32 persons on the patio;
  - iv. Acoustic report to be submitted certifying that the establishment meets Noise Control By-law requirements;
  - v. No music permitted on the patio;
  - vi. Signing a Good Neighbour Agreement with the City prior to business license issuance;
  - vii. A Time-limited Development Permit; and
  - viii. Food service to be provided while the establishment is operating as well as on the patio when open.

### ***GENERAL MANAGER'S COMMENTS***

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

### ***COUNCIL POLICY***

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

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.

### ***SUMMARY***

KBK No. 11 Ventures Ltd. (Shangri-La Hotel), located at 1128 West Georgia Street is seeking a Council resolution endorsing their application for a 110 persons total capacity Liquor Primary liquor licence (Liquor Establishment Class 2 - Hotel Lounge) with a 32 person outdoor patio at this location. The proposed hours of operation for the liquor primary (hotel lounge) are from 11:00 a.m. to 1:00 a.m. weekdays and 11:00 a.m. to 2:00 a.m. weekends for the first six months of operation. Extended hours of operation may be considered once the six month trial period has elapsed and no issues/concerns arose during this time period. The extended hours of operation are 9:00 a.m. to 2:00 a.m. weekdays and 9:00 a.m. to 3:00 a.m. weekends. The applicant is requesting hours of operation from 9:00 a.m. to 2:00 a.m., 7 days a week. The patio must be vacated by 11:00 p.m. and all liquor service must cease at that time.

The request from KBK No. 11 Ventures Ltd. is consistent with Council's liquor policy for the area. The patio request however, is not 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 22 seat patio but the applicant is requesting approval for a 32 seat patio.

The establishment will be a lobby lounge-style operation in the new upscale Shangri-La Hotel, catering to business travellers, tourists, and local urban professionals. The proposed lounge area is currently licensed under a food primary license (restaurant). The approved Development Permit plans for the Shangri-La project do indicate some outdoor seating areas adjacent to the hotel entry and also adjacent to the proposed hotel lounge area. The Fire Department requires an occupant load calculation for the licensed area prior to occupancy.

Response to the public consultation was limited. Of the 600 notices circulated, a total of 6 responses were received from area residents supporting the application.

Liquor establishments of this size and structure generally do not generate complaints or negative issues with the surrounding residents and business operators, as the licensed area will be contained in the hotel building and the patio must be vacated by 11:00 p.m. As a result, staff is in support of this application

### ***PURPOSE***

KBK No. 11 Ventures Ltd. is requesting a Council resolution endorsing their application for a 110 seat Liquor Primary liquor license (hotel lounge) with a 32 seat outdoor patio at the Shangri-La Hotel located at 1128 West Georgia Street.

### ***BACKGROUND***

#### ***Site History***

The proposed location of this Liquor Primary liquor licence (hotel lounge) will be located inside the new Shangri-La Hotel which is a very upscale hotel providing food and beverage service, hotel accommodation rooms, spa and convention facilities situated in the Downtown Primarily Mixed-Use Area. The area surrounding this hotel includes many local shops, government liquor store, church, hotel and residential buildings.

The applicant, KBK No. 11 Ventures Ltd. has decided that in order to better serve the guests of the hotel they would like to have both a food primary license (existing restaurant) and a liquor primary license (hotel lounge). The applicant currently holds a food primary license (#303313) and intends to convert one interior area of the food primary license to be a liquor primary licensed area.

This application for a 110 person total capacity Liquor Primary liquor licence with a 32 seat outdoor patio will cover the hotel lounge. In addition to the hotel-tourist clientele, the patronage of local residents, businesses travellers and the business community working in the surrounding offices and area will form part of the customer base.

#### ***Application***

The applicant is requesting a Council resolution endorsing their application for a 110 persons total capacity Liquor Primary liquor licence (Liquor Establishment Class 2 - Hotel Lounge) with a 32 seat outdoor patio. The proposed hours of operation for the liquor primary (lounge) are 9:00 a.m. to 2:00 a.m. 7 days a week and the patio to be vacated by 11:00 p.m. daily.

The proposed licensed area will be enclosed within the hotel and will be accessible directly off the hotel lobby. The lounge is designed to provide an upscale, interesting and inviting atmosphere, an area for hotel guests to unwind and socialize. The proposed patio area will be across the unlicensed lobby and beside the residential lobby.

The lounge will operate similar to other hotel lobby lounges in Vancouver such as those at the Four Seasons Hotel, Fairmont Waterfront Hotel, Pan Pacific Hotel and the Hotel Vancouver. The entertainment provided will be piano background music. This hotel lobby lounge will provide upscale food and beverage service in an adult environment.

#### *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 new liquor licence application is subject to local government support.

#### *Area Surrounding Premises*

The subject site falls within a CD-1 (426) Comprehensive Development Zoning. The approved use of this building is hotel, residential, office live-work, retail and restaurant and is located at the corner of Thurlow and West Georgia Streets. The surrounding area is a mixture of office, retail, restaurant, hotel, church and residential uses.

There is 1 Liquor Establishment Class 3 (Hyatt Regency Hotel Lounge - 243 seats), 1 Liquor Establishment Class 7 (Studio 55 - Private Club - 55 seats), 1 Liquor Retail Store (Government) and approximately 26 licensed restaurants within the 600' radius survey area.

#### **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. A total of 6 responses were received from residents within the notification area all supporting the application. Some of the comments made were that the operating hours of the patio cease at 11:00 p.m. which is a Council policy.

#### **DISCUSSION**

##### *Policy Issues*

The subject site is located in the Downtown Primarily Mixed-Use Area. New liquor establishments of the smaller type (Class 2) within the Downtown District would not be restricted by location, but must maintain a 100 metre distancing requirement from another Liquor Establishment Class 2 venue. Since there are no liquor establishments in this class within the 100 metres of the site, the proposed establishment complies with Council's liquor policy for venue size and location.

The proposed patio is not 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 22 seat patio but the applicant is requesting approval for a 32 seat patio. Staff generally support outdoor patio areas subject to comments from the neighbourhood. In this case, there are no concerns from the surrounding neighbourhood provided the patio is closed and vacated by 11:00 p.m. each night. The time-limited development permit and 11:00 p.m. closing time should address any potential problems. The patio will be located so that the public "right of way" is kept clear of tables and chairs.

### ***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. Maximum permitted extended hours for the area are 9:00 a.m. to 2:00 a.m., Sunday to Thursday and 9:00 a.m. to 3:00 a.m., Friday and Saturday. The applicant has requested hours of operation from 9:00 a.m. to 2:00 a.m., 7 days a week. The applicant will be required to operate within the Standard Hours of operation for the first six months which are limited to 11:00 a.m. to 1:00 a.m., Sunday to Thursday; and 11:00 a.m. to 2:00 a.m., Friday and Saturday; after which time the applicants requested hours of operation may be considered. The proposed patio must cease all liquor service and vacate by 11:00 p.m.

### ***Positive Proposal Aspects***

Small liquor establishments of this size generally do not create significant negative issues for area residents and business operators. Staff support this type of Liquor Primary hotel lounge which opens directly into the hotel lobby without a primary exit to the street. The application complies with Council's liquor policy for venue size and location, and hours of liquor service. The patio will contribute to the animation of the plaza area and the 1100 block of West Georgia Street. This plaza with a lounge patio and the adjacent sculpture garden has the potential to emerge as one of downtown Vancouver's unique vibrant open spaces.

### ***Negative Proposal Aspects***

There is a certain acceptable level of noise associated with living in a downtown, socially and culturally busy area. Approval of the establishment may result in increased noise and other nuisances for area residents and business operators, although small lobby-style Liquor Primary establishments generally do not create neighbourhood impacts. Noise control measures must be implemented and maintained to reduce potential impact on area residents and business operators, and satisfy the requirements of the Noise Control By-law.

### ***FINANCIAL IMPLICATIONS***

There are no financial implications.

### ***COMMENTS***

*The Police Department* has reviewed the application and they have no comment.

*The Development Services Department* has reviewed the application and this application falls within a CD-1(426) Comprehensive Development Zoning. The current approved use of this building is hotel, residential, office live-work, retail and restaurant.

A proposal to change the use of the building to provide a hotel lounge and associated outdoor seating, will require a Development Permit application. The review process for this type of application would include an assessment of the impact of such a facility on nearby sites and compatibility with surrounding uses.

*The Vancouver Fire Department* has reviewed the application and Fire department concerns have been addressed. The application for a certificate of maximum occupant load was reviewed in December (see PRISM, FI406597). The drawing shows 48 seats on the patio. Only 32 seats were requested and approved.

*The Social Development Department* has reviewed this application and has no comment.

*The Central Area Planning Department* has reviewed this application and staff support this liquor primary application, including the proposed 48 seat patio. A large patio in this location will contribute to the animation of the plaza area and the 1100 block of West Georgia Street. Staff understand that the patio will be sited so that the public right of way is kept clear of tables and chairs. Adjustments in the siting of the patio could be considered to maximize sunny areas for those in the patio area, if this public access right of way is respected. This plaza with a lounge patio and the adjacent sculpture garden has the potential to emerge as one of downtown Vancouver's unique vibrant open spaces.

***Comments to Satisfy LCLB Resolution Requirements:***

***Location:*** as noted previously.

***Person capacity and hours of operation:*** as outlined above.

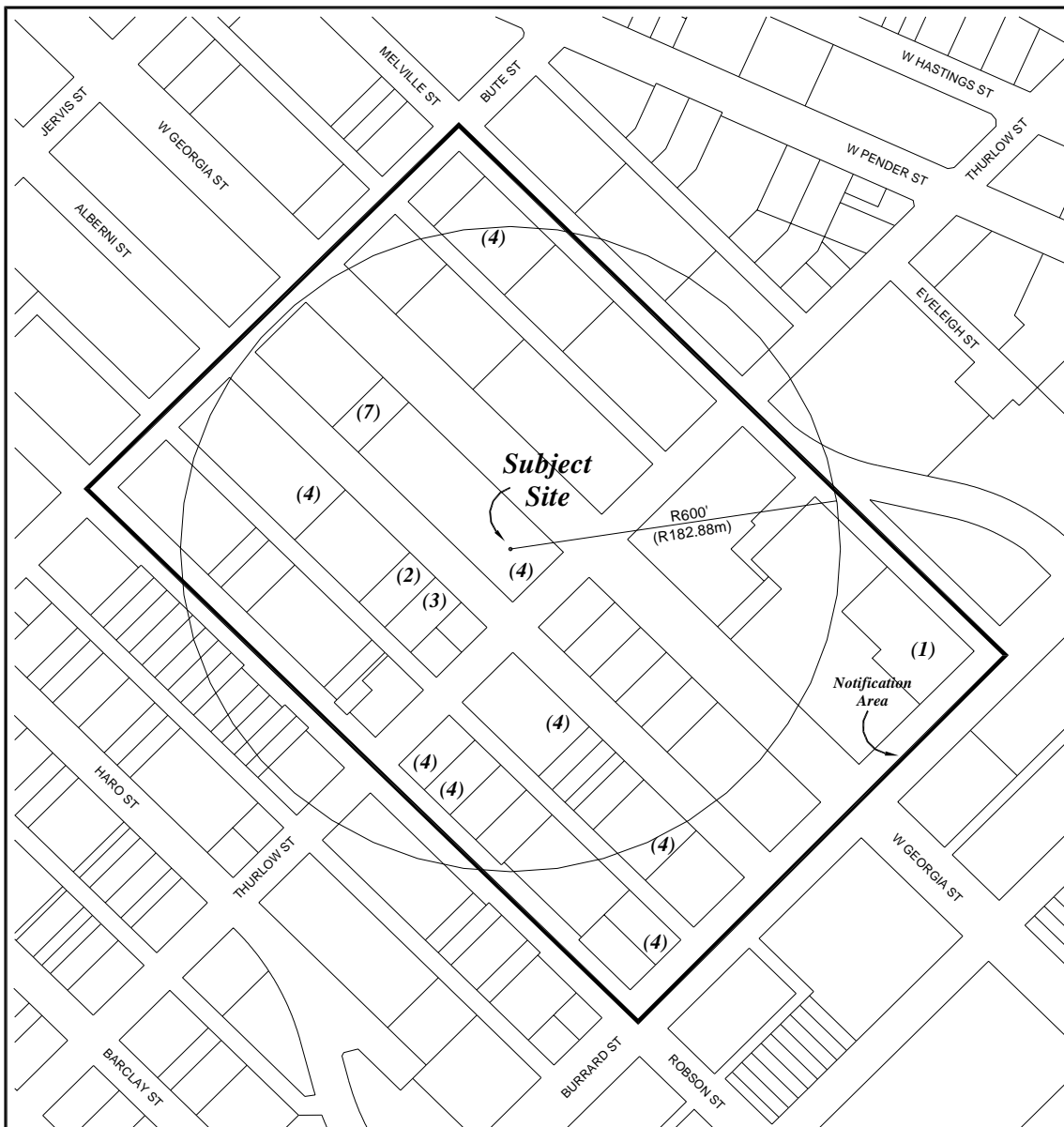
***Market Analysis:*** The City of Vancouver has no authority to regulate an operator's clientele/target market. As a result, commenting or basing a decision on Market Analysis is an unproductive use of staff time.

***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 are recommending Council endorse the applicant's request for a 110 person Liquor Primary liquor license with a 32 person patio subject to the conditions outlined in Recommendation A. This application meets current Council policy regarding size and distance from other establishments and the location and size of the establishment should limit any negative impacts in the surrounding community. The requirement for a Development Permit and Good Neighbour Agreement will ensure the premise operates in a manner conducive to the surrounding area. Staff acknowledge that this application does not meet Council policy for outdoor patios (seating for patios is limited to 20% of total seating capacity of the liquor primary establishment - permitted 22 seat patio/proposed 32 seat patio), but given the proposed patio location, the requirement for a time-limited Development Permit (1 year for patio), and 11:00 p.m. closing time, staff do not anticipate any significant impacts from the operation of this patio.

\* \* \* \* \*



**LEGEND**

- (1) Cabarets, Neighbourhood Pubs & Hotels with Pubs/Lounges- Hyatt Hotel & Lounge
- (2) Government or Private Liquor Stores- 1120 Alberni St.
- (3) Social/Private Clubs (If easily visible/distinguishable)- 1114 Alberni St. {Studio 55}
- (4) Closest Residential Building/Units (Including Subject Site)- 1166 Melville St. {Orca}, {Carmana Plaza}, {Shangra-La}, {The Manhattan}, {The Carlyle Apts.}, 1028 Alberni St., 777 Burrard St. Apartments.
- (5) Large Residential Developments - N/A
- (6) Parks- N/A
- (7) Churches- 1160 Alberni St. {Coastal Church}
- (8) Other Social Facilities (Clinics, Rehabs, Hospitals, etc.)- N/A
- (9) Schools- N/A



LIQUOR PRIMARY (LIQUOR ESTABLISHMENT CLASS 2)  
1128 West Georgia Street

map: 1 of 1



**City of Vancouver - Licenses & Inspections**

date: Apr. 2009