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To: "Direct to Mayor and Council - DL"

CC: "City Manager's Correspondence Group - DL"
"Krishna, Kaye" <Kaye.Krishna@vancouver.ca>

Date: 10/30/2018 7:29:50 AM

Subject: Liquor policy implementation - update

Attachments: DBL - Liquor policy - Memo to Council.pdf

Dear Mayor and Council,

Please find attached a brief memo from Kaye Krishna summarizing the completed implementation of the liquor policy changes Council approved last year. The memo also includes a status update on three additional related items Council requested in May of this year.

Please do not hesitate to contact Kaye Krishna if you have questions in this regard.

Best,
Paul

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MEMORANDUM

October 29, 2018

TO: Mayor and Council

CC: Sadhu Johnson, City Manager
Paul Mochrie, Deputy City Manager
Sandra Singh, General Manager, Arts, Culture, & Community Services
Branislav Henselmann, Managing Director, Cultural Services
Francie Connell, Director, Legal Services
Iain Dixon, Assistant Director, Legal Services
Kathryn Holm, Director, Licensing & Community Standards
Adam Palmer, Chief, Vancouver Police Department

FROM: Kaye Krishna

SUBJECT: Liquor Policy Implementation: Summary of Completion

INTRODUCTION

A city-wide liquor policy review culminated in June 2017 with a staff report *Liquor Policy Review – Recommended Actions*. Since then staff have been implementing liquor related policy changes and actions arising from the report and from further Council direction issued on May 2, 2018 to 1) establish on-going funding for the Good Night Out Street team program in the Granville Entertainment District; 2) work with the Vancouver Police Department to consider increasing fines for fighting in public; and 3) establish a Night Life Council as part of the City's Creative City Strategy considerations. The purpose of this memo is to report on the status of these actions.

LIQUOR POLICY IMPLEMENTATION

All thirty-eight liquor related policy changes and actions arising from the staff report *Liquor Policy Review – Recommended Actions* have now been implemented. Appendix A shows the full list of actions and provides details on their implementation. Where applicable, information on the uptake of policy changes is noted. Actions in the table that have been completed or updated since the last report to Council on May 2, 2018, are identified with italicized text.

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Staff are rolling out a communications plan to share final updates and policy changes with business owners and the public. The plan includes a series of direct communications with business owners and business associations; social media posts aimed at businesses and the public, and updates to the City's website.

Liquor policy changes affect procedures and policy in a number of City departments; staff have carried out internal communications to ensure that changes are effectively and consistently applied.

Completion of the 38 liquor policy actions concludes staff work on policy arising from the June 14, 2017 report *Liquor Policy Review: Recommended Actions*. Key policy updates include allowing liquor retail stores to locate in grocery stores, supporting liquor licences at arts and culture businesses, and maintaining moratoria on liquor seats in the Downtown Eastside and Granville Entertainment District. With policies in place, business can take advantage of new opportunities such as expanding the seating capacity on outdoor patios, and extending operating hours from 11:00pm to midnight (liquor manufacturer's lounges). Consolidation and improvement of online access to policy documents will be part of on-going staff operations.

Issues identified for future consideration in *Liquor Policy Review: Recommended Actions*, for example distancing requirements for liquor establishments, are maintained in staff records for work at a future date, and upon direction from Council. Staff continue to monitor Provincial liquor policy changes as they arise from time to time, and will apprise Council as appropriate.

During the liquor policy review and implementation processes, staff developed strong working relationships with liquor stakeholders including industry organizations and Vancouver Coastal Health. Staff appreciate the time, effort and expertise shared by these working partners and look forward to on-going collaborative relationships as policy changes are operationalized by staff and taken up by businesses and the public.

FUNDING FOR THE GOOD NIGHT OUT (GNO) STREET TEAM

As directed by Council, staff are pursuing a collaborative funding partnership to support a permanent Good Night Out (GNO) program to improve nighttime safety downtown, particularly for women, LGBTQ2+ and other vulnerable populations. Staff are pursuing a partnership between the City, the late night business community, business organizations, and granting and donor organizations.

Staff are contacting Granville Street businesses and other organizations that are likely to benefit from a permanent GNO program and might wish to become funding partners. They include:

- Granville Street hotels, restaurants, retailers, liquor establishments, property owners
- Tourism Vancouver
- The Vancouver Taxi Association

Conversations with these prospective funders are on-going.

To assist GNO in securing grants, staff have made coaching on grant writing available to Good Night Out staff. In May 2018, GNO was awarded a one-time grant of \$7,500.00 from the Vancouver Police Foundation to be used for capital costs. These funds will be used to purchase supplies such as reflective vests, backpacks and phones that can be used for more than one year.

Good Night Out has operated from June 1, 2018 to September 15, 2018 with funds provided by the Downtown Vancouver Business Association and the Vancouver Police Foundation. A grant of \$20,000 committed by Council on September 18, 2018 will allow the program to run with uninterrupted service through the end of January 2019.

Good Night Out is awaiting adjudication of its application for charitable status which would allow it to accept private donations and issue tax receipts. Staff have offered to provide a letter of support for the application.

Staff will report back to Council once a proposal for long term funding partnerships has been determined.

FINES FOR FIGHTING IN PUBLIC

At the Standing Committee on City Finance and Services on May 2, 2018, representatives of BarWatch, Hospitality Vancouver, and the Downtown Vancouver Business Improvement Association spoke in favour of increasing ticket penalties for fighting in public, as a mechanism to decrease late night violence in the Granville Entertainment District. Council directed staff to confirm Council authority to increase fines and to work with VPD to consider the merit of increasing the fine above the current \$500 penalty.

Staff have confirmed that Council has authority under the *Vancouver Charter* and the *Vancouver Charter By-law Enforcement Ticket Regulation* to establish penalties up to a maximum of \$1000 per offence, in relation to ticket offences. Fighting in public is a ticket offence against the City's Street and Traffic By-law. The Ticket Offences By-law currently sets a ticket penalty of \$500 for this offence.

Across British Columbia the fine for fighting in public ranges from \$200 in Abbotsford, to \$1000 in Kelowna. In Metro Vancouver, Vancouver is the only city to issue a Municipal Ticket Information (MTI) for fighting in public.

Research on the relationship between increasing ticket fines and behaviour change focuses largely on traffic and parking violations. Evidence on the impact of increasing fines as a deterrent for unwanted behaviour is mixed. However, staff see limited downside in increasing the fine amount if it can have a positive impact in reducing altercations and other issues in the public realm of the GED.

Recommendation: Overall, Staff recommend increasing the fine to \$1,000 and would work with VPD to move this forward at Council's direction.

Night Life Council

City Council direct to establish a Nightlife Council is being undertaken by staff in Arts, Culture and Community Services, as part of the City's Creative City Strategy development. This work is being done in collaboration with a large array of external partners as well as with other City departments, including Development Buildings & Licensing. Staff will provide an update on the Strategy to Council in mid-2019.

We are pleased to conclude the implementation of significant changes to Vancouver's liquor policy and are committed to ongoing review and improvement of the policies. We look forward to reporting back to Council in the future as new ideas, issues or needs arise in relation to municipal liquor policies.

Please do not hesitate to contact me or Sandra Singh if you have questions or would like to discuss anything contained in this memo.

Kaye Krishna
General Manager, Development, Buildings and Licensing

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Attachment

APPENDIX A Liquor Policy Implementation Status Table

Table 1 Completion details: policy actions arising from *Liquor Policy Review - Recommended Actions* (June 14, 2017)

	Goal 1: Protect health, safety and community liveability	Implementation Action	Status
A.	Downtown Eastside		
1	Retain the Downtown Eastside moratorium on liquor primary licence and seat expansion with minor modifications as described in the above-noted report.	The <i>Liquor Policy for the Downtown Eastside</i> has been updated to reflect changes identified in the report. The updated policy is available on the City website.	COMPLETED
2	Amend the Liquor Store Guidelines such that: - No additional liquor stores are allowed in the Downtown Eastside; -Existing liquor stores may expand or relocate within the Downtown Eastside; and -Relocation should not result in more than one store in Strathcona, and one in the combined sub-areas of Gastown, Victory Square, Industrial, Chinatown and Thornton Park.	The <i>Liquor Store Guidelines</i> have been amended. The document is available on the City website.	COMPLETED
B.	Granville Entertainment District		
1	Amend the Granville Entertainment District moratorium on conversion of food primary to liquor primary seats to include a moratorium on any additional liquor primary seats for Granville Street (West Georgia to Drake Streets), with limited exceptions for: -Live performance venues; -Seat relocations; and -Opportunities to find creative solutions for net seat reductions in the Granville Entertainment District.	The moratorium has been in effect as of June 14, 2017.	COMPLETED
2	Amend the Liquor Store Guidelines to disallow additional liquor stores on Granville Street and the immediately surrounding area of the Granville Entertainment District. Set the boundary to not within 150m of the Granville Street centreline, between West Georgia and Drake	The <i>Liquor Store Guidelines</i> have been amended. The document is available on the City website.	COMPLETED

3	<p>Annually, all clubs and bars in the Granville Entertainment District provide updated patron management plans to the City.</p>	<p>Patron management plans have been received from all GED establishments with the exception of one. Staff are following up with the establishment owner. Updated plans for 2019 will be requested with 2019 business licence renewal notices.</p> <p>Plans are kept on file and available for review with operators in cases where problematic sidewalk crowding is observed by City Property Use Inspectors or by VPD.</p>	<p>COMPLETED, ONGOING OPERATIONS</p>
4	<p>Increase enforcement and ticketing at Granville Entertainment District establishments for non-compliance of patron queues.</p>	<p>City Property Use Inspectors conducted 42 inspections at GED establishments between July 2017 and September 2018. Four warnings and 8 tickets were issued for noise violations in the GED. No tickets were issued for non-compliance of patron queues. Regular inspections will continue.</p>	<p>COMPLETED, ONGOING OPERATIONS</p>
5	<p>Institute a “last entry” hour pilot program from July 1, 2017 to June 30, 2018, requiring all Granville Entertainment District liquor primary establishments to restrict entry to new patrons within 1 hour of closing time.</p>	<p>Not implemented. Description of staff work on the pilot and recommendation to not proceed are in May 2, 2018 <i>Liquor Policy Implementation Update and Upgrading the Granville Entertainment District</i> received by Council on May 2, 2018.</p>	<p>NOT IMPLEMENTED</p>
6	<p>Direct staff to establish a working group of key stakeholders in the Granville Entertainment District, including local bars and restaurants, Bar Watch, the Downtown Vancouver Business Improvement Association, Vancouver Police Department, Vancouver Coastal Health and community organizations, including women's organizations, to improve consultation and co-ordination of efforts to reduce street disorder and gender-based violence, and to improve business in the area.</p>	<p>The Granville Entertainment District Safety and Security Working Group convened from July 2017 to March 2018. Actions pursued by the group focused specifically on safety and security. The actions are described in the staff report <i>Update on Liquor Policy Implementation and Upgrading the Granville Entertainment District</i>, received by Council on May 2, 2018. This phase of the Working Group is concluded. Working group membership may be expanded for a next phase of work to include broader GED upgrades and business improvement.</p>	<p>COMPLETED</p>
7	<p>Refer the following recommendation, as set out in Section B - “Adjust Granville Street/Granville Entertainment District Policies to Reduce Problems”, of the Policy Report dated June 7, 2017, entitled “Liquor Policy Review – Recommended Actions”, to the working group for further review, including consideration of impending patio policy report and exploration of ways to increase safety for the women and LGBTQ2 communities:</p>	<p>On May 2, 2018 Council approved a staff recommended to revise this policy such that liquor establishments can apply for permits to build licensed patios in the GED provided the total number of liquor seats for the establishment remains constant.</p>	<p>COMPLETED</p>

	Applications for patio liquor licences or seat relocations from inside an to a patio should not be supported at liquor primary establishments located on Granville Street between West Georgia and Drake streets until such time as the Granville Entertainment District crime rates reduce and/or there is a diversification of establishments and patrons.		
8	Refer evaluation of the pilot program as set out in 5 above to the working group, with an interim report back on its effectiveness after six months.	Not implemented. Description of staff work on the pilot and recommendation to not proceed are in May 2, 2018 staff report <i>Update on Liquor Policy Implementation and Upgrading the Granville Entertainment District</i>	NOT IMPLEMENTED
9	Direct staff to delay any increase in capacity or service hours in the Granville Entertainment District until they are satisfied that night transit service has increased to an appropriate level.	Increases in capacity and service hours continue to be delayed, pending any future transit service improvements.	COMPLETED (Will revisit if situation changes)
10	Direct staff to bring revised recommendations regarding the Granville Entertainment District to Council by the end of the third quarter, 2017.	Revised recommendations were included in <i>Update on Liquor Policy Implementation and Upgrading the Granville Entertainment District</i> , staff report to Council date May 2, 2018.	COMPLETED
C.	Expand General Public Health Interventions		
1	Amend License By-law to require liquor serving establishments to display drink size and strength on their menu for all types of alcoholic drinks.	Licence By-law amended May 2, 2018. Staff are working with BC Restaurant and Food Association and Vancouver Coastal Health to develop communication and implementation program for businesses and the public.	COMPLETED
2	<i>Encourage liquor serving establishments to offer standard drink sizes.</i>	<i>Links to information and encouragement to offer standard size drinks have been posted on the City's website. This item is included in a broader communications plan, developed in partnership with VCH, which is being rolled out in late fall. The plan consists of messaging</i> <ul style="list-style-type: none"> • <i>Direct to business operators via email and mail</i> • <i>Social media</i> • <i>On the City website</i> 	COMPLETED

3	<i>Encourage liquor primary establishments to offer low strength drink options to patrons, and to provide free soft drinks to designated drivers.</i>	<p><i>This item is included in a broader communications plan, developed in partnership with VCH, which is being rolled out in late fall. The plan consists of messaging</i></p> <ul style="list-style-type: none"> • <i>Direct to business operators via email and mail</i> • <i>Social media</i> • <i>On the City website</i> 	COMPLETED
4	In partnership with Vancouver Coastal Health, request that the provincial government establish and fund liquor-wise education with specific attention to under-age drinking and binge drinking.	<p>Ministry of Health has provided an update on liquor-wise education https://www.healthyfamiliesbc.ca/home/articles/topic/alcohol-sense; refreshed mandatory display materials for liquor serving establishments and retailers (March 28, 2018); recent release of a McCreary Centre Society Evidence Review on strategies to reduce risky alcohol use among underage girls.</p>	COMPLETED
5	In partnership with Vancouver Coastal Health, seek opportunities to collaborate with and support partner organizations in ongoing initiatives such as campaigns to encourage responsible public behaviour; and programs like the Vancouver School Board's School Age Children and Youth (SACY) Substance Use Health Program.	<p>Ministry of Mental Health & Addictions will be meeting with Ministry of Education to discuss current school-based prevention curriculum addressing substance use, and its reach.</p> <p>The Public Health Executive Committee will advocate to MOH team responsible mental health promotion for additional resources in this area.</p> <p>VCH's teams are working with SACY program to assess program needs and funding opportunities</p>	COMPLETE, ONGOING OPERATIONS
6	<i>Staff consider the benefits and impacts of restricting liquor advertising on City-owned property and update policies accordingly.</i>	<i>The City does not restrict advertising content (in contracts with advertisers or in the Sign By-law) because restricting content could expose the City to a charge of limiting freedom of expression under the Charter of Rights and Freedoms.</i>	COMPLETE
7	Request that Vancouver Coastal Health examine opportunities to expand the availability of managed drinking programs targeted at harm reduction among chronic alcoholics who are illicit drinkers.	VCH staff report that this action is underway. For example, VCH recently provided a one-time funding grant of \$100K to the Managed Alcohol Program at PHS for next year's activities.	COMPLETED

8	<i>Increase inspection frequency by City Property Use Inspectors, which will include inspections during weekend and peak operating hours.</i>	<p><i>The City's Property Use Inspectors have increased the frequency of inspections of liquor establishments throughout the City. The PUI team carried out 221 liquor establishment inspections between July 2017 and September 2018. As a result, there were 37 verbal warnings; 6 written warnings; 3 orders and 11 Noise by-law MTIs issued.</i></p> <p><i>Inspection results are being monitored and frequency of inspections will be adjusted over time as deemed appropriate by the Chief Licence inspector.</i></p>	COMPLETED, ONGOING OPERATIONS
9	<i>Direct the Chief Licence Inspector to reconvene the multi-agency inspection teams; and seek commitments from the Province to increase provincial liquor inspector resources.</i>	<p><i>Staff have engaged with VPD and LCLB on a regular basis to advance the understanding and partnership with the City, regarding enforcement under the various jurisdictions. Staff accompanied LCLB inspector and VPD on an inspection of locations throughout the city (September 2017)</i></p> <p><i>LCLB has actively participated in the GED Safety and Security Working Group, and provided high level data on their compliance and enforcement efforts. There has been significant staff turnover at LCLB, and City staff continue to build relationships with the new LCLB team.</i></p> <p><i>Work is underway to establish a regular multi-agency inspection team schedule and mandate.</i></p>	WILL BE PART OF ONGOING OPERATIONS
D	Goal 2: Foster creativity, community connection and local economy		
1	<i>Support liquor primary applications (to the Province) from arts and culture establishments, whose primary activity is the provision, sale or exhibition of art and/or cultural artifacts.</i>	<p><i>Policy on support for liquor licences at arts and culture businesses was approved by Council on May 2, 2018.</i></p> <p><i><u>Uptake:</u> Staff have received four inquiries for arts & culture businesses.</i></p>	COMPLETE
2	Amend the License By-law to create the necessary liquor establishment licence in Vancouver.	By-law enacted May 2, 2018	COMPLETE
E.	Enhance Patio Culture		

1	<i>Remove the twenty percent limit on liquor primary patio seats, if a Good Neighbour Agreement is signed, neighbourhood liquor seat limitations can be met, and community impacts (e.g. noise) are managed; however, existing liquor primary establishment patios in the Granville Entertainment District, and in the Downtown Eastside will not be approved for increased patio seats.</i>	Limit removed as of June 14, 2017 <i>Uptake: Three liquor establishments have applied to increase their existing patio seating; seven liquor establishments have applied for new patios with seating at more than 20% of total capacity.</i>	COMPLETE
2	<i>Establish a guideline to exempt up to 12 additional seats on seasonal patios from the washroom provision standard in cases where the establishment provides a minimum of two washrooms.</i>	Guideline established and posted to VBBL webpage on July 10, 2018.	COMPLETE
F. Expand Live Entertainment in Restaurants			
1	Allow live entertainment in restaurants during all hours of liquor service. [Correction: to 1:00 am per Provincial regulation]	By-law enacted on July 25, 2017	COMPLETE
2	<i>Amend the Non-alcoholic Dance Hall Policy to allow this land use on zoning-compliant sites in the entire Downtown area.</i>	<i>The policy document has been amended. It is available on the City website.</i>	COMPLETE
G. Support Liquor Manufacturers			
1	Allow manufacturers' lounges in industrial districts to: •operate until midnight and establish these hours in the Business Premises Regulation of Hours By-law; and •Apply for extended hours for special occasions up to six times per year.	Allowed as of 14-Jun-17 through existing change of hours procedure; staff have determined that by-law amendment is not required. <i>Uptake: Seven manufacturers have applied and been granted hours to midnight</i>	COMPLETE
2	Allow manufacturers' lounges to expand their seating capacity during area-wide cultural events on an occasional basis.	Allowed as of 14-Jun-17	COMPLETE
3	Allow artisans' markets to host up to three manufacturers selling and sampling their products.	Allowed as of 14-Jun-17	COMPLETE
Goal 3: Ensure effective and efficient regulatory framework			
H. Support Liquor in Grocery Stores			
1	<i>Allow grocery stores to operate the store-in-store model for liquor sales, provided that they meet the City's current Liquor Store Guidelines and provincial design</i>	<i>Liquor Store Guidelines updated to include liquor in grocery; guidelines posted to website</i>	COMPLETE

	<i>specifications.</i>	<p><i>Zoning and Development By-law amended to enable liquor stores in grocery stores approved at Public Hearing April 17, 2018</i></p> <p><i>Bylaw enacted May 2, 2018</i></p> <p><i><u>Uptake:</u> Staff are reviewing one application to relocate an existing liquor store into a grocery store.</i></p>	
I.	Formalize Restaurants that Operate as Bars in Evening Hours		
1	<p>Support applications from existing food primary establishments to operate under liquor primary licences after 10:00 pm, provided that they meet the City's existing procedural and policy standards for liquor primary establishments, including current liquor primary distancing criteria.</p> <p>Note: Except food primary establishments in the Downtown Eastside and Granville Entertainment District, in alignment with moratorium on new liquor primary licences in those areas.</p>	<p>Existing liquor establishment application process is in place for use with applications. No applications received to date.</p> <p><u>Uptake:</u> Four inquiries to date.</p>	COMPLETE
2	Support restaurants with an established track record of good business operation (no history of noise complaints) who obtain an evening hours liquor primary licence be allowed to apply for extended hours after three months.	Council approved a staff recommendation on May 2, 2018 that the policy be further be amended to remove the probation period for known good operators.	COMPLETE
J.	Streamline and Clarify Procedures		
1	<i>Shorten the probationary period for food primary establishments to three months in cases where the operator has an established track record of adherence to by-laws and terms and conditions of their business licence.</i>	<p><i>On May 2, 2018 staff recommended that the policy be further be amended to remove the probation period for known good operators; Council approved the recommendation.</i></p> <p><i><u>Uptake:</u> The probationary period has been waived for four known good operator since May 2, 2018.</i></p>	COMPLETE

2	<p><i>Issue up to six approvals for liquor primary establishment hours extensions at one time, provided that the establishment has a track record of problem-free operations and adherence to by-laws and terms and conditions of their business licence. The hours extensions requested must fall within the calendar year of the application.</i></p>	<p><i>Procedure in place.</i></p> <p><i><u>Uptake:</u> Eleven establishments have taken advantage of the new procedure in 2018.</i></p>	<p>COMPLETE</p>
3	<p>Amend the License By-law to give the Chief Licence Inspector authority to provide comment to the LCLB on applications for all liquor licence amendments.</p>	<p>License By-law amended on July 25, 2017, establishing a protocol that allows for faster processing of amendment applications.</p> <p><i><u>Uptake:</u> Since the by-law change in 2017 the CLI has commented on eleven liquor licence amendments.</i></p>	<p>COMPLETE</p>
4	<p>Consolidate all liquor policies into a comprehensive, consistent and clear resource available online. Review and amend existing liquor policies to ensure that they are current and understandable by a broad audience of users</p>	<p>Liquor policies have been updated and posted to the City's website. Staff continue to maintain and update the site as part of on-going operations.</p>	<p>COMPLETE, ONGOING OPERATIONS</p>
K.	<p>THAT Council instruct the Director of Legal Services to bring forward for enactment amendments to the by-laws as set out in Appendix C of the Policy Report dated June 7, 2017, entitled Liquor Policy Review – Recommended Actions”, including any changes to reflect Council's amendments as set out above.</p>	<p>All by-laws implemented.</p>	<p>COMPLETE</p>