

# Governance and Priorities Committee Report For the June 26, 2014 Meeting

To:

Governance and Priorities Committee

Date:

June 5, 2014

From:

Robert Woodland, Director of Legislative

and Regulatory Services

Subject:

Application for a permanent change to extend Hours of Sale in relation to a Liquor

Primary Liquor Licence, for Paparazzi Nightclub, 642 Johnson Street, Licence No.

003546

# **Executive Summary**

The purpose of this report is to seek a Council resolution, in accordance with the requirements of the *Liquor Control and Licensing Act*, regarding an application by Paparazzi Nightclub in relation to their Liquor Primary Liquor Licence for the premises located at 642 Johnson Street, for a permanent change to extend their hours of operation in relation to their liquor service.

The current hours of liquor service are from 12:00h (Noon) to 02:00h Monday through Saturday and from 12:00h (Noon) to Midnight on Sunday. The occupant load for the nightclub is 170 persons. If approved, the hours of operation for liquor service would be 12:00h (Noon) to 02:00h seven days a week. There would be no change in occupancy as a result of this application.

#### Recommendation:

That Council, after conducting a review with respect to noise and community impacts regarding the application to amend the occupant load respecting liquor service for the Liquor Primary Liquor Licence of **Paparazzi Nightclub**, Liquor License No. 003546, located at 642 Johnson Street, **does not support**:

- The application of Paparazzi Nightclub to amend its Liquor Primary Liquor Licence to allow an increase in operating hours to include 12:00h (Noon) to 02:00h (2:00am) daily.
- The Council provides the following comments on the prescribed considerations:
  - (a) The location is in a designated mixed use commercial area which authorizes restaurants, hotels, clubs and associated uses. There is a small amount of residential use in the immediate vicinity. The Liquor Primary Liquor licensed operation within the hotel (nightclub) is compatible with the neighbouring land uses. The business is located within the Central Area Special Commercial District and is within the Intermediate Noise District which allows for a higher noise threshold.

- (b) While the request by the applicant represents a maximum 2 hour increase on Sunday nights to the allowed hours for liquor service, there is a concern that this change will create an incremental increase in the disorder that can and does occur during late night (2:00AM) liquor licensed establishments closing in the downtown core. In turn, this can have a negative impact on police resources. Council has previously considered this issue and believes a midnight closing on Sunday evenings represents a reasonable compromise between the business interests of Liquor Primary Licensees and concerns for additional noise and nuisance in the community. There is no concern that this change would result in the business being operated contrary to its primary purpose.
- (c) The views of residents were solicited via a mail out to neighbouring property owners and occupiers within 50 metres of the hotel and a notice posted at the property. Three responses from area residents were received, two supporting the application and one not supporting the application.

Mark Hayden Manager, Bylaw and Licensing Services  Report accepted and recommended by the	Robert Woodland Director Legislative and Regulatory Services  ne City Manager:
	Date:
MATERIALS RECEIVED VIA PUBLIC CON	ISULTATION PROCESS:
Attached 4 Available N/A	
[A letter from the proponent, two letters sup support of increasing the operating hours, ar	oporting the increase in operating hours and a letter not in re attached]

# Purpose

The purpose of this report is to seek a Council resolution regarding an application by Paparazzi Nightclub, in relation to their Liquor Primary licensed business located at 642 Johnson Street for a change to extend their hours of liquor service from midnight to 2:00am on Sunday in relation to their nightclub business.

# **Background**

Paparazzi Nightclub is located at 642 Johnson Street and the basement venue has been in operation since 1982 under various names and management. The current management has been in place for approximately 7 years. The venue is licensed for 170 patrons and the current operating hours are from Noon until 2:00AM Monday through Saturday and Noon until Midnight on Sunday. The applicant is primarily seeking an extension of business hours on Sunday nights until 2:00AM so that the business can host events on Sundays without the need to seek temporary approvals from the City and province for each event. In their attached letter (see Attachments), the operator has described the full rationale for their request. A map of the subject property and immediate area is also attached to this report.

#### Location

Official Community Plan:

- The property is within the Core Historic Urban Place designation in the Official Community Plan. Employment area uses in this designation are commercial, including retail, office and visitor accommodation.
- The area is covered by Development Permit Area 1 (HC): Historic Core, which enables Council to review and approve the form and character of commercial, industrial and multifamily residential development.

# Zoning:

- The property is zoned CA-3S (Central Area Special Commercial District)
  - o Permits transient accommodation, restaurants and retail sales
  - o No off-street parking is required under this zone
- The property is Heritage Registered
- The site falls within the Intermediate Noise District under the Noise Bylaw

#### Neighbourhood Compatibility:

- The building is located at 642 Johnson Street, between Douglas Street and Broad Street, with access off Broad Street. The site is bounded on all sides by the CA-3C zone, Old Town District, in which clubs are a listed as a permitted use. Immediately adjacent uses include:
  - North (along Broad Street): Coastline retail store
  - South (at the intersection of Broad Street and Johnson Street): Mystique Boutique retail store at ground level, Carlton Plaza Hotel on upper floors
  - East (fronting Douglas Street): Aveda Institute hair salon
  - West (across Broad Street): Island Collateral and Cherry Bomb Toy retail stores
- The closest residential use to the site is immediately to the north at 1407 Broad Street, with 4 rental suites. The Best Western Plaza Hotel is located directly above the property at 634 Johnson Street

The Sustainable Planning & Community Development Department has no objection to the application as the use is permitted.

#### Liquor Control and Licensing Branch

The General Manager of the provincial Liquor Control and Licensing Branch (LCLB) issues liquor licences under the authority of the *Liquor Control and Licensing Act* and regulations. Local government is to provide comments and recommendations to the LCLB on all liquor-primary licence applications regarding the potential for noise and impact on the community if the application is approved.

# Relevant Policy / Bylaw

- a) Liquor Licensing Policy;
- b) Liquor Licensing Fee Bylaw.

# Issues & Analysis

This application is being pursued as a permanent change to the operating conditions as the nightclub operator wishes to be able to provide service to late night customers on Sundays as well as host special events throughout the year and on long weekends. A letter from the applicant detailing the reasons for the requested change is attached to this Report.

In 2007 Council adopted as part of the City's Liquor Licensing Policy, specific hours of operation limitations for Liquor Primary Liquor licensed businesses that wanted to operate after midnight on Sundays. The applicable Council Minute is attached to this Report. The policy that Council adopted includes:

- that Council will only support openings until 2:00AM (02:00h) from Monday to Saturday nights; and
- that Council will not support closing hours on Sunday nights later than Midnight except by temporary exemption for special events or on holiday long weekends.

The applicant has been advised of the City's current policy in relation to Liquor Primary Liquor Licensee operating hours but has requested that Council consider their application for 2:00AM closings on Sundays as that is what they specifically wish to have in place for their business.

Within a 50 metre radius of Paparazzi Nightclub, there are 7 other Liquor Primary licensed establishments as set out in the table.

VENUE	HOURS	SUNDAY HOURS	SEATING	TYPE
Rialto Hotel #1 1450 Douglas Street	09:00h to 11:00h	11:00h to 23:00h	60	Hotel
Rialto Hotel #2 1450 Douglas Street	11:30h to 01:30h	11:00h to 24:00h	90	Hotel Lounge
Metropolis 603 Pandora Avenue	19:00h to 02:00h	19:00h to 24:00h	225	Club
Victoria Plaza Hotel #1 603 Pandora Avenue	12:00h to 02:00h	11:00h to Midnight	75	Hotel
Victoria Plaza Hotel #2 603 Pandora Avenue	11:30h to 01:30h	11:00h to Midnight	225	Hotel
Boutique Lounge 1318 Broad Street	19:00h to 02:00h	19:00h to 02:00h	292	Lounge
Victoria Event Centre 1415 Broad Street	17:00h to 01:00h	17:00h to 01:00h	250	Lounge

In addition to the Boutique Lounge, there are only 4 other public Liquor Primary licensed establishments (see table below) in the City that have 2:00AM closing hours on Sunday night (Monday morning). All of these licensees have been in operation prior to the time Council adopted a Sunday midnight closing policy for Liquor Primary establishments.

VENUE - open until 2:00am Sunday	ADDRESS
Strathcona Hotel (all 3 licenses)	919 Douglas Street
Traveller's Inn City Centre	1961 Douglas Street
Swan's	510 Pandora Avenue
Rehab Nightclub	502 Discovery

#### **Bylaw Enforcement**

The Bylaw and Licensing Services Division has no concerns with the application. There have been no complaints made about the nightclub operation with respect to nuisance or noise. There is a good neighbour agreement (signed in 2008) in place as required by the Business Licence Bylaw.

# Engineering & Public Works Department

The Downtown Community Development Section reviewed this application and provided the following comments:

Our only concern would be any possible impact to residents and hotel patrons. It has been
expressed by residents in the past that they would like a "break" on Sunday nights from noise
and activity related to entertainment venues. There are a number of residential units close by.

#### Police

The Police Department has no concerns with, or objections to, this application.

# Public Engagement and Consultation

In accordance with the City's Liquor Licensing Fee Bylaw and Liquor Licensing Policy, all owners and occupiers within 50 metres of the applicant's location were solicited by a mailed notice to provide input regarding this application. In addition, the business displayed a poster at the access points to their business for a 4 week period which also invited people to provide input to the City with respect to this application.

The result of this consultation was that the City received 2 letters generally supporting the application (1 from the Downtown Resident's Association) and 1 letter not supporting the request for increased operating hours. Copies of the letters are attached to this Report.

#### Conclusions

The request does not comply with the City's current liquor licensing policy because the current policy of Council in respect to opening hours for Liquor Primary licensees is

- that Council will only support openings until 2:00AM (02:00h) from Monday to Saturday nights; and
- that Council will not support closing hours on Sunday nights later than Midnight except by Temporary exemption for special events or on holiday long weekends.

The Liquor Primary Liquor Licence associated with this nightclub has been operating since 1982 and under the current management regime for approximately 7 years. There have been no noise or nuisance complaints received in respect to liquor service in the past 5 years. The underground nature of the venue would also keep noise in the area to a minimum. City staff from all Departments have no concerns about the proposed change to increase the operating hours for

liquor service other than the general concerns expressed by the Downtown Community Development Section. Of the 3 letters received from the public, 2 generally supported the increase in operating hours (including a letter from the Downtown Resident's Association) and 1 letter did not support the increase in operating hours. All letters are attached to the Report.

While approving this request is unlikely to cause nuisance or noise issues in the area, Council can expect that approving this request will be seen to set a precedent and will likely result in a number of other Liquor Primary establishments seeking the same "exemption" from Council's policy of midnight closing hours on Sunday.

However, as Council may wish to support the application due to the specific circumstances, an alternate Resolution supporting the application has been drafted to meet the Liquor Control and Licensing Branch requirements. It is attached in the Appendix.

#### Recommendations

That Council, after conducting a review with respect to noise and community impacts regarding the application to amend the occupant load respecting liquor service for the Liquor Primary Liquor Licence of **Paparazzi Nightclub**, Liquor License No. 003546, located at 642 Johnson Street, **does not support**:

- The application of Paparazzi Nightclub to amend its Liquor Primary Liquor Licence to allow an increase in operating hours to include 12:00h (Noon) to 02:00h (2:00am) daily.
- The Council provides the following comments on the prescribed considerations:
  - (a) The location is in a designated mixed use commercial area which authorizes restaurants, hotels, clubs and associated uses. There is a small amount of residential use in the immediate vicinity. The Liquor Primary Liquor licensed operation within the hotel (nightclub) is compatible with the neighbouring land uses. The business is located within the Central Area Special Commercial District and is within the Intermediate Noise District which allows for a higher noise threshold.
  - (b) While the request by the applicant represents a maximum 2 hour increase on Sunday nights to the allowed hours for liquor service, there is a concern that this change will create an incremental increase in the disorder that can and does occur during late night (2:00AM) liquor licensed establishments closing in the downtown core. In turn, this can have a negative impact on police resources. Council has previously considered this issue and believes a midnight closing on Sunday evenings represents a reasonable compromise between the business interests of Liquor Primary Licensees and concerns for additional noise and nuisance in the community. There is no concern that this change would result in the business being operated contrary to its primary purpose.
  - (c) The views of residents were solicited via a mail out to neighbouring property owners and occupiers within 50 metres of the hotel and a notice posted at the property. Three responses from area residents were received, two supporting the application and one not supporting the application.

#### **APPENDIX**

This Appendix contains a draft Council Resolution supporting the Licence Application as requested by the applicant. This draft Resolution is in the specified format required by the Liquor Control and Licensing Branch.

Alternate Resolution - Supporting opening hours until 2:00AM as requested by the Applicant

That Council, after conducting a review with respect to noise and community impacts regarding the application to amend the operating hours respecting liquor service for the Liquor Primary Liquor Licence of **Paparazzi Nightclub**, Liquor License No. 003546, located at 642 Johnson Street, **supports**:

- 1. The application of **Paparazzi Nightclub** to amend its Liquor Primary Liquor Licence to allow an increase in operating hours to include 12:00h (Noon) to 02:00h (2:00AM) daily.
- 2. The Council provides the following comments on the prescribed considerations:
  - (a) The location is in a designated mixed use commercial area which authorizes restaurants, hotels, clubs and associated uses. There is a small amount of residential use in the immediate vicinity. The Liquor Primary Liquor licensed operation within the hotel (the nightclub) is compatible with the neighbouring land uses. The business is located within the Central Area Special Commercial District and is within the Intermediate Noise District which allows for a higher noise threshold.
  - (b) While this request represents a change in operating hours outside of those normally supported for Liquor Primary Liquor licensed businesses, there is expected to be minimal impact on the neighbourhood as the number of licensed seats is at the lower end of the range for nightclubs and this club has had no complaints of noise or nuisance in the past 5 years. There is no concern that this change would result in the business being operated contrary to its primary purpose.
  - (c) The views of residents were solicited via a mail out to neighbouring property owners and occupiers within 50 metres of the hotel and a notice posted at the property. Three responses from area residents were received, two supporting the application and one not supporting the application.

# **ATTACHMENTS**

# The following documents are attached:

- 1. An aerial photograph (map) of the property and surrounding area.
- 2. The Council Minute from May 24, 2007 detailing Council's policy on hours of service for Liquor Licensees
- 3. A letter from the applicant explaining the purpose for the requested change.
- 4. Two letters (one from the DRA) in support of the application.
- 5. One letter not supporting the requested change.



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# Paparazzi Nightclub 642 Johnson St.

05/28/2014



2,377

Victoria Parcels

Legend

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This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

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THIS MAP IS NOT TO BE USED FOR NAVIGATION

NAD\_1983\_CSRS\_UTM\_Zone\_10N Public domain: can be freely printed, copied and distributed without permission.

#### REPORTS OF THE COMMITTEE

# 1. COMMITTEE OF THE WHOLE – May 17, 2007

Councillor Coleman withdrew from Council Chambers at 9:52 p.m. as he works in a food primary business, which creates a direct pecuniary interest in this item.

# 9. Liquor Establishments Extended Hours

It was moved by Councillor Holland, seconded by Councillor Fortin, that:

- 1. Liquor-Primary Extension of Hours on Sunday

  That City Council approve extended hours of service until 02:00h on a holiday Monday for liquor-primary establishments and authorize staff to implement this policy by approving multiple dates for each calendar year, through a Temporary Change to a Liquor Licence
- application; and
   Liquor-Primary Extension of Hours past 02:00h
   That City Council not consider applications for extended hours of sale past 02:00h for any date other than New Year's Eve; and
- 3. Liquor-Primary and Food-Primary Extension of Hours on New Year's Eve
  That City Council approves extended hours of service until 03:00h January 1, for all
  licensees on the condition that food is available to patrons; and
- 4. Food-Primary Extension of Hours past Midnight
  That Council considers applications for extended hours of service up to, but not past
  01:00h, on Friday and Saturday only for all food-primary licensees. Carried

Councillor Coleman returned to the meeting at 9:52 p.m.

#### LETTER OF INTENT

April 9, 2014

BYLAW AND LICENSING SERVICES

1 Centennial Square
Victoria BC V8W 1P5

Dear Mark Hayden,

We welcome the opportunity to submit a proposal for a permanent change to our hours of operation. The change would only affect Sundays for an additional two hours.

We have been operating Paparazzi Nightclub formally as Prism Lounge at 642 Johnson Street for more than seven years and previously for more than 20 years under different names and ownership.

We have a good working relationship with our Liquor Inspector, Shannon Johnson and with the city police without any infractions or fines. We continue to operate Paparazzi Nightclub with zero tolerance for any drugs or violence.

Our intention is to continue to operate the club as we have for the past seven years but with the additional two hours on Sundays. Currently we are losing sales regularly as patrons come to our club just before midnight and have to turn them away and they head to other venues. Also we would like to book more events and have further growth in our business. The city of Victoria needs an LGBT community bar as it attracts visitors all around the world.

Every year we apply for extended hour but we have more shows/events than we are allowed to apply for per year. We have had to refuse bookings due to this problem. We also are losing sale due to the early closure.

We have next to zero incident rate and we are the only club that plays the music at half the decibel levels of other nightclubs in the city. We continue to work closely with Chris Watson, GM for the Best Western Carlton Plaza (holder of the Liquor License), Shannon Johnson, our Liquor Inspector and the police force. We hope that this provides enough information to come to the decision for this two hour approval.

Sincerely,

Helina Kinnersley, CEO/Manager

helin opaparazzi nightchit.com

250.507.1869 cell

Vectoria B. Co. may 09/14 To: Manager, Bylaw & Licensing Services. In reply to the application for a change in the liquor licence for Raparozzi Rightcheb for extended hours on Bundays. my aparlment faces Johson St. and it is quite noisey enough on fris sat nights after 2 Am. I seve as hell don't want sundays on top of this fets have the last day of the week-end a lette geneter. Some people have to get up for early work on hondoup, and we need to get some Therefore I'm quite against to spening until 2 pm on Gendays mr. S. Seotly Stewart 08-1321 Broad At., Victoria B.G. V8W2A8

# Mark Hayden

From:

iain russell

Sent:

Wednesday, Apr 30, 2014 12:49 PM

To:

Liquor Licence Email

Subject:

642 Johnson - Paparazzi Nightclub

# Hello City of Victoria,

I just receive a notices about an a proposed changed to the liquor licence of Paparazzi Nightclub 642 Johnson. I have live at 2-1408 Broad for seven years now. Across the road from the establishment. As a member and resident of an active downtown community I would like to say that this change should be approved. In my seven years of being a neighbour of this business I have never once had a complaint of any sort. If anything I would go as far as to stay they have created a very inclusive culture. Even if I am walking home late at night I am often greeted with smiles and hellos as I round the corner onto Broad Street. Compounded with the fact that Paparazzi has long been a bastion for Victoria's tolerant views towards homosexual, and transgendered population. This is more than just a bar it is a community hub. Our downtown is plaqued by some establishments (boutique, 919, (and the Strathcona hotel complex), Rehab, Ect. That serve a purpose of getting people drunk and releasing them back onto the community at closing. Paparazzi does not operate like these other "bars" in Victoria do. They continually reinvest into their community which therefore adds to the community of the whole. Although I have never been to Paparazzi, I have friends, clients, and relatives that Paparazzi has provided for them a safe establishment that allows them to be themselves. This application is more than just the growth of a business, or drinks crossing a bar. Its a sign of a diverse community thriving. As a city we should be championing the work of our local business. Often we think change comes from government. When in reality change comes from small business. And when governments support and champion these community members the view from the outside is one of a world class city that looks boldly into the future and says welcome with open arms.

-lain Russell, downtown resident & business owner



1715 Government Street Victoria, BC V8W 1Z4 250.386.5503

Manager Bylaw and Licensing Services City of Victoria No.1 Centennial Square Victoria, BC V8W 1P6

May 30, 2014

Re: Permanent Change to a Liquor Licence-Paparazzi Nightclub, 642 Johnson Street

Dear Manager Bylaw and Licensing Services,

The DRA Land Use Committee has reviewed the proposed Liquor Licence change for the Paparazzi Nightclub.

Feedback from the committee is as follows:

- The operator apparently has a clean record with BCLCLB Compliance and Enforcement.
- There have been no noise or nuisance complaints in the past five years.

The DRA LUC generally supports this proposal.

Sincerely,

Ian Sutherland

Chair

Downtown Residents Association Land Use Committee