

DATE OF MEETING | May 28, 2018 |

AUTHORED BY | DAVE STEWART, PLANNER, CURRENT PLANNING AND
SUBDIVISION |

SUBJECT | LIQUOR LICENCE APPLICATION NO. LA130 – 240 SKINNER
STREET |

OVERVIEW

Purpose of Report

To present Council with an application for a permanent change to an existing liquor primary licence in order to permit an occupant load increase from 200 to 220 persons. |

Recommendation

That Council recommend the Liquor Control and Licensing Branch deny the application for a structural change to a liquor primary licence in order to increase the licensed capacity of the night club from 200 to 220 persons. |

BACKGROUND

The City has received an application from Konzept Nightclub requesting a structural change to an existing liquor primary licence. The night club currently has a liquor primary which permits up to 200 people within the night club. The applicant is requesting a local government resolution in support of his application to the Provincial Liquor Control and Licensing Branch (LCLB) for a structural change to increase the occupant load of the night club to 220 persons, an increase of 20 persons. The permitted hours of service for the night club are 7:00 p.m. to 2:00 a.m. Monday to Sunday, which will remain unchanged if the application is approved.

The subject property is located within Nanaimo's downtown core and is included within the Core (DT1) zone which permits a night club use.

In June 2002, the City of Nanaimo retained Neilson-Welch Consulting Inc. to prepare a Liquor Control Strategy (LCS), which Council subsequently adopted. The report noted concerns regarding the concentration of large-capacity night clubs within the downtown core leading to increased noise and disturbance within the area, specifically during closing hours when patrons converge on the narrow streets, such as Skinner Street. However, the LCS recommends that Council review each application on its own merits and "not be hampered by concerns over the number of existing seats or the community's past experience with certain types of establishments".

On 2015-JUN-01, Council received a similar application for 214 Skinner Street to increase the licensed capacity for an existing liquor primary establishment (Club 241) from 244 persons to 272 persons. Council voted to deny the application; however, the application was ultimately approved by the LCLB.

The LCLB has taken enforcement action at the subject property regarding internal structural changes including an expanded dance floor that were undertaken without notifying the LCLB, these matters are now being addressed. In response to the structural change enforcement action, night club staff obtained an occupant load calculation for the night club. It was determined that the occupant load calculation would permit a maximum capacity of 220 persons, so the applicant is proposing to increase the licensed capacity to maximize the occupancy load.

DISCUSSION

As part of the liquor primary amendment review process, the LCLB asks the local government to comment on the following:

- ***The potential for noise if the application is approved:*** The night club is located on Skinner Street in Nanaimo's downtown core, an area with a high concentration of liquor primary establishments, and as such, expected noise levels in this area are much higher than those in the rest of the city. The neighbouring land uses around the night club are predominately commercial; however, a number of hotel uses are located within 150m of the subject property, including the Painted Turtle Guest House (approximately 50m from the subject property), the Coast Bastion Inn (120m) and the Best Western Dorchester Hotel (130m). No residential property is located within 100m of the subject property. As such, the application is not expected to result in noise disturbance concerns for area residents.
- ***The impact on the community if the application is approved:*** As part of a liquor licence application for any establishment within the downtown core, Council is asked to weigh the benefit of extended entertainment opportunities within the downtown core against the concerns raised by the RCMP and the City's Liquor Control Strategy (LCS) regarding the high level of liquor-related disorder within Nanaimo's downtown. The night club provides a dance venue predominately targeted to university students ranging from 19 to 24 years of age.

The night club is under new management. The new management team have joined the Nanaimo Bar Watch Program, signed a Good Neighbour Agreement, and have worked cooperatively with the police.

The applicant's night club is one of five night clubs (Club 241, Konzept, Level 2, the Palace Hotel and the Old City Station Pub) concentrated within a two-block area on Skinner Street. Currently, the combined licensed capacity for these night clubs is over 1,100 persons. The concentration of night clubs within the downtown core, and particularly Skinner Street, is noted as a concern within the LCS which states:

“As a result of this concentration, hundreds of patrons typically converge in the streets at closing time on weekends. The crowds often become noisy and otherwise unruly, and become both a stimulus and an audience for the few individuals who are intent on initiating some kind of altercation. The narrowness of streets in Downtown Nanaimo exacerbates the crowdedness, increases the noise level and magnifies the potential for disturbances.”

While the LCS was drafted in 2002, the concerns related to the concentration of night clubs along Skinner Street remain. The RCMP note that very challenging noise and public safety issues manifest on Skinner Street when night clubs close at 2 a.m. They also note there have been regular incidents in the street within the overall entertainment district, and they are concerned that increased patronage will exacerbate existing conditions. The RCMP do not support the application. A copy of the RCMP's referral response is included as Attachment C.

- **The views of residents / neighbouring businesses:** A public notice and comment sheet has been mailed and hand delivered to the owners, residents, and business owners of buildings and properties within 100m of the subject property. Nine responses have been received – five are in support of the application while four are opposed. A summary of the public responses received is included as Attachment D. Those opposed to the application cited social concerns within the area related to violence, drug use and public disturbance.

Staff Comment

Staff agree with the RCMP concerns with respect to Skinner Street's capacity to handle late night crowds. While the licence capacity increase is not expected to result in noise disturbance for area residents, Staff agree the increased number of patrons may result in further congestion of people within a narrow Skinner Street at closing hours, concerns of public safety, and the need for increased police resources.

It should be noted, the applicants active participation in the Bar Watch program will assist them in mitigating any potential negative impacts if the application is approved. In addition, not supporting the application may limit late night entertainment opportunities within the City.

OPTIONS

- A. That Council recommend the Liquor Control and Licensing Branch not approve an application for a structural change to a liquor primary licence in order to increase the licensed capacity of the night club from 200 to 220 persons.
 1. **Council not support the application:** If Council is concerned with the increasing licensed capacity on Skinner Street and its potential impact on police resources, Council should vote to not support the application.
 2. **Council support the application:** If Council does not believe the 20-person increase will result in a negative impact on Skinner Street, Council should recommend that the LCLB approve the application for a structural change to a liquor primary licence in order to increase the licensed capacity of the night club from 200 to 220 persons.
 3. **Opt Out:** With respect to all food and liquor primary licence applications, it is worth noting that Council has the option to provide no comment. If Council chooses to opt out of the application process, Staff will inform the LCLB of Council's decision and no further action will be taken by Staff regarding the application. If a local government chooses to opt out, the LCLB will start their own review process, which could considerably delay the application process. As such, Staff strongly recommend that Council does not opt out of the decision-making process regarding this application.

Next Steps

Once Council has made a recommendation regarding the application, Staff will forward the recommendations to the LCLB. The final decision regarding this liquor primary licence amendment application will be made by the LCLB.

SUMMARY POINTS

- An application was received to permit a permanent change to a liquor primary licence in order to increase the licensed capacity for Koncept Nightclub from 200 to 220 persons.
- Comment sheets were mailed and delivered to property owners, businesses and residents within 100m of the subject property.
- The RCMP and Staff do not support the application due to concerns related to limited capacity of Skinner Street to absorb late night crowds during closing hours.

ATTACHMENTS

ATTACHMENT A: Location Plan
ATTACHMENT B: Applicant's Letter of Rationale
ATTACHMENT C: RCMP Referral Response
ATTACHMENT D: Public Comments

Submitted by:

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Concurrence by:

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