

TO: CITY MANAGER

2000 January 09

FROM: DIRECTOR PLANNING AND BUILDING

SUBJECT: **Liquor Licensing Changes**
Restaurant Designated Food Optional Areas

PURPOSE: To seek Council approval of the process for the consideration of applications for Designated Food Optional areas in restaurants with Class "B" liquor licences.

RECOMMENDATIONS:

1. **THAT** Council approve the process for consideration of requests for Designated Food Optional areas in restaurants with Class "B" liquor licences.
2. **THAT** a copy of this report be sent to the General Manager, Liquor Control and Licensing Branch, PO Box 9292, Stn. Provincial Government, Victoria, B.C. V8W 9J8.

R E P O R T

1.0 BACKGROUND:

On 2000 December 18, Council received a report advising of changes to the Liquor Control and Licensing Branch (LCLB) regulations with respect to the licensed capacity of pubs, lounges, and cabarets, and liquor service in restaurants. That report also sought approval for processes to deal with the anticipated applications that the City will receive for these changes. With respect to the change regarding liquor service in restaurants - specifically, the proposed Designated Food Optional (DFO) areas - the report advised that a further report to Council would be provided regarding applications for DFO's in Class "B" licenced restaurants. Accordingly, this report discusses the process for assessing anticipated applications.

2.0 DISCUSSION:

- 2.1 As discussed in the 2000 December 18 report to Council, restaurant licensees with a Class "B" Dining Lounge Licence will be able to apply to operate DFO areas, a limited area in restaurants where patrons can be served liquor without having to consume food. Restaurants can apply to change 10% of their current licensed capacity (excluding patios and banquet room capacities) for use as DFO seats, up to a maximum of 20 seats. The LCLB has advised that a local government resolution is required to be sought for all applications, though the general manager of the LCLB will make a decision on the application if local government advises the LCLB that they do not wish to comment or do not respond in a reasonable time.

- 2.2 Planning staff met with members of relevant City Departments and the R.C.M.P., Burnaby Detachment, and have concluded that applications for internal DFO areas in most of the Class "B" licensed restaurants in Burnaby would likely be supportable, particularly given the relatively small number of seats that are at issue. It was also determined that the creation of specific guidelines or criteria for evaluation, as proposed in the 2000 December 18 report to Council, was not necessary. However, in order to ensure that the community impact and other relevant matters of the DFO area are considered - as required by the LCLB - and to ensure that potentially problematic DFO areas are evaluated, it is recommended that each restaurant seeking a DFO area apply for a Liquor Licence Application amendment through the Planning Department.
- 2.3 The application, similar to other liquor licence applications, would be circulated to the Social Planning Division of the Planning Department, the R.C.M.P., Burnaby Detachment, the Engineering Department (Environmental Services Division), and the Licence Office for comment. Issues such as a history of police calls, noise complaints, or licence related concerns at the subject restaurant could be flagged to help determine the community impact of the application. In addition, staff would take into account whether there is existing patron participation or live entertainment at the subject restaurant. While restaurants with karaoke box rooms would not be permitted to have DFO areas, as per the guidelines for karaoke box rooms in Class "B" restaurants adopted by Council on 1999 June 14, restaurants with other types of entertainment would be carefully examined for potential community impact and to ensure that food service remains the restaurant's primary focus. Staff would also consider the location of the proposed DFO area, for example with proposed patio locations being carefully considered with respect to the surrounding neighbourhood context. Finally, the operating hours of the restaurant would also be taken into account.

The application and relevant comments would be summarized in a report to Council - ideally, a number of applications could be dealt with simultaneously in one report - recommending that the applications be supported or not supported. The report and Council's resolution on the application would be forwarded to the LCLB who would then make the final decision. It is anticipated that proposed interior DFO areas in restaurants without a record of recent complaints or issues, and without patron participation or live entertainment, would be supportable.

3.0 CONCLUSION:

This report provides Council with information on the proposed process for liquor licence applications for DFO areas - limited areas in Class "B" licenced restaurants where patrons can be served liquor without having to consume food. In most Burnaby restaurants, DFO areas would likely have minimal impact. Nevertheless, to note potentially problematic restaurants, it is recommended that restaurants wanting DFO areas apply for a liquor licence application which would be processed as described in Section 2.3 and that staff develop a bulk reporting system for dealing with these applications. This responds to the desire of the LCLB for a Council resolution regarding such applications yet provides for an effective and expedient application process.



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Director Planning and Building

LS/gk

cc: Chief Licence Inspector
Engineering Department (*Attention: Environmental Services Division*)
R.C.M.P., Burnaby Detachment
Simon Fraser Health Region

