
TO: CITY MANAGER **DATE:** 2006 May 2

FROM: DIRECTOR PLANNING AND BUILDING **FILE:** 46000.06
Reference: Liq Lic Gen

SUBJECT: LIQUOR STORE LOCATION FRAMEWORK FOR BURNABY

PURPOSE: To respond to a Council request for a Liquor Store Location Framework for Burnaby.

RECOMMENDATIONS:

1. **THAT** Council adopt the Liquor Store Location Framework for Burnaby, as summarized in Section 3.0 of this report.
2. **THAT** the Liquor Distribution Branch be requested to reconsider its locational framework for government liquor stores within the City of Burnaby to reflect the directions outlined in this report including the establishment of Signature stores within the Big Bend commercial precinct and the Kensington Shopping Centre.
3. **THAT** Council adopt the revised Guidelines for Assessing Rezoning Applications for Liquor Stores, as contained in Attachment 1 of this report.
4. **THAT** a copy of this report be sent to Mr. Jay Chambers, General Manager, Liquor Distribution Branch, 2625 Rupert Street, Vancouver, BC, V5M 3T5.
5. **THAT** a copy of this report be sent to the Honourable Rich Coleman, Minister of Public Safety and Solicitor General and the Burnaby MLA's.

REPORT**1.0 BACKGROUND INFORMATION:**

- 1.1 On 2005 June 13, under New Business, Council directed staff to pursue the development of a comprehensive Liquor Store Location Framework for Burnaby. This report is submitted in response to that direction and provides recommendations for a Liquor Store Location Framework for Burnaby.
- 1.2 In order to provide a general context of the request for a Liquor Store Framework for Burnaby, the following provides a brief summary of the background of

regulatory changes which relate to private liquor stores, or Licensee Retail Stores (LRS), in British Columbia.

- 1) 1988: The Liquor Control and Licensing Branch (LCLB) creates the potential for a limited number of LRSs through a time limited application period for qualifying licensees.
- 2) 1988: Burnaby amends the Burnaby Zoning Bylaw to create the C2a and C3a Commercial zoning sub-categories. All new liquor store locations in Burnaby require Council approval through the rezoning process.
- 3) 2002: The LCLB temporarily lifts the moratorium on LRS applications from existing licensed facilities. LCLB receives seven applications from Burnaby licensees.
- 4) 2003: LCLB amends LRS regulations to permit LRS applicants to locate or relocate their stores away from their adjoining liquor primary establishment.

LRSs could now locate elsewhere within the same municipality as its related liquor primary establishment or in a neighbouring municipality, within 5km of the associated liquor primary establishment.

LCLB also announces applications to relocate LRS will not be approved within 0.5km of an existing LRS or LRS application in progress.

- 5) 2005: Council amends Burnaby Zoning Bylaw to create C2h and C3h zoning categories for all new LRSs, ensuring Council approval through the rezoning process is required for an LRS to locate where a Liquor Distribution Branch (LDB) Liquor Store has previously been located.
 - 6) 2005: Council approves rezoning (Rezoning Reference #05-02) of 6 existing LRSs to the C2h or C3h zoning category in order to maintain legal conformity. Two other LRSs remain legally non-conforming at present.
- 1.3 There are currently 14 liquor stores in Burnaby consisting of 5 LDB liquor stores, and 9 LRSs, including one VQA wine only outlet (see **attached** Sketch #1).

The Liquor Distribution Branch (LDB) currently has three classifications of LDB liquor stores. They are:

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- A) Signature Stores: These stores are meant to be larger facilities, provide a greater variety of products, including specialty products and have staff with a higher level of expertise. A small number of signature stores are intended to be built. They are generally about 10,000 to 11,000 sq. ft. (gross) in size.
- B) Community Stores: A community store is intended to serve smaller communities, such as Tofino or Salt Spring Island, where it would likely be the only liquor store in the community and are usually about 6,000 to 8,000 gross sq. ft. in size.
- C) Neighbourhood Stores: Neighbourhood Stores are everything in between and are generally located in larger communities. Five out of the six existing LDB liquor stores in Burnaby are considered Neighbourhood stores. They are generally about 3,500 to 5,000 gross sq. ft. in size.

The LDB indicated, in recent discussions, that the Provincial government will not be building any new Neighbourhood stores. However, the LDB is considering establishing additional new Signature stores within the Lower Mainland, which, in general, involve the closing and consolidation of existing Neighbourhood level stores in the vicinity of the new Signature Store. It is noted that the LDB also licenses private wine stores as an agency store under the provisions of the Liquor Distribution Act.

2.0 CONTEXT AND OBJECTIVES OF LIQUOR STORE LOCATION FRAMEWORK

- 2.1 Burnaby has received a significant number of requests for, and enquiries regarding LRSs. At the same time, there has been ongoing change and local uncertainty regarding the direction the Provincial Government is going in terms of the LDB and LRS policies and regulations.
- 2.2 There is a need for a locational framework plan to provide a higher degree of certainty for the City, the LDB, the community and the private sector as to the appropriate locations, types, sizes, general operating considerations and development sequencing for LDB and LRS outlets within the City.
- 2.3 A rational distribution of LDB Signature liquor stores within the City is desired to serve as primary centres for liquor sales to offer equal access, service and certainty for customers throughout the City in terms of product availability, convenience and stable pricing.
- 2.4 Supporting LRSs (or potentially smaller LDB neighbourhood outlets in the future) could serve a supplemental convenience role to the primary LDB Signature stores.

3.0 PROPOSED LIQUOR STORE FRAMEWORK

3.1 Town Centre Model

Burnaby is somewhat unique in terms of having four Town Centres as opposed to one central town centre type area in which commercial development is focused.

Burnaby is divided into four quadrants in its Official Community Plan (see **attached** Sketch #2). Each quadrant has a Town Centre area which becomes the focus for higher density development and the broadest range of commercial uses. The four Town Centres include:

- Lougheed Town Centre in the northeast quadrant,
- Brentwood Town Centre in the northwest quadrant,
- Edmonds Town Centre in the southeast quadrant, and
- Metrotown Regional Town Centre in the southwest quadrant.

3.2 Town Centres and LDB Signature Stores

As the four town centres have the highest concentration of population and the broadest range of supporting commercial services in high density commercial cores, it is appropriate to expect liquor stores with the broadest selection and stable LDB pricing to locate in the Town Centres and to act as the ‘anchors’ for all other liquor stores in Burnaby. Based on the established development pattern for Burnaby and the nature of the different types of LDB liquor stores, and in the interests of serving the residents of Burnaby equitably, it is recommended that the Liquor Store Framework for Burnaby have an LDB ‘Signature’ liquor store in each of the four town centres as a cornerstone of the plan (see **attached** Sketch #2). The opening of a new Signature liquor store in any quadrant would likely result in the closure of LDB Neighbourhood stores in that quadrant.

3.3 Other Potential Locations for LDB Stores

As part of the review for the framework, two other areas emerged as potential LDB store locations; within the Big Bend commercial precinct area, and in the Kensington Shopping Centre area in North Burnaby.

Assuming development of new Signature stores within the Lougheed and Brentwood Town Centres, there appears to be a service gap in North Burnaby around the Kensington Shopping Centre area. In the same vein, it appears that the Big Bend service commercial area at Marine Way and Byrne Road could likely accommodate an LDB liquor store as a different service market to a future Metrotown Signature store outlet or the existing Highgate store. In discussing these options with the LDB, there is not the same level of support for these two locations, particularly given that the Lougheed and Brentwood Signature stores

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have not yet been developed, and in the case of the Big Bend location, the Highgate Store has not yet been established long enough to fully understand its market strength within the particular sub-quadrant.

While recognizing the LDB's current perspective, it is staff's view that one additional Signature store location in the Big Bend commercial precinct area should be provided for in the framework plan with the understanding that its viability and desirability can be reassessed in approximately two years time when it is anticipated that the Highgate Village store will have more clearly defined its market strength and service area (see attached Sketch #2).

Regarding the apparent service gap in North Burnaby in the vicinity of the Kensington Shopping Centre, it is noted that the LDB has informed staff that a Signature store at this location is currently not a possibility from their perspective. Staff understand that the former LDB store location within the Kensington Shopping Centre may now be available for use. Accordingly, staff contacted the LDB to determine their possible interest in re-establishing an outlet at their former tenant space. The LDB have indicated that they are not interested in re-establishing a store at this location and instead are pursuing negotiations with the intent of creating a new Signature store in the Brentwood Town Centre.

Notwithstanding the LDB's position relative to the Kensington location, it is staff's view that the service gap in this sub-area could best be filled by re-establishing a neighbourhood scaled LDB outlet at the Kensington Centre as an interim step to a larger Signature store as population densities in the surrounding areas occurs. This would provide the area with the same access to product variety and stable pricing found in other areas served by Signature stores.

It is therefore recommended that the LDB be requested to reconsider its locational framework for their liquor retail outlets as related to the City of Burnaby to include Signature stores in the Marine Way/Byrne Road commercial area and the Kensington Shopping Centre locale.

3.4 **Possible Additional Locations for Licensee Retail Stores (LRS)**

It then needs to be determined where additional smaller (LRS) liquor stores may be appropriate in each quadrant and in terms of the recognized commercial areas in the Commercial Policy Framework. There are currently between one and three LRSs in each of the four quadrants. As a matter of general policy, LRS locations should be restricted to established town centre, urban village and neighbourhood commercial centre areas as identified in the Official Community Plan and be subject to the applicable locational criteria. It should be noted, however, that private wine stores licensed by the LDB are not considered in the same category as LRSs as they are smaller, more innocuous, specialty stores serving a niche market which does not raise the same concerns as those related to other LRSs. It

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is therefore recommended that private wine stores licensed by the LDB not be included in the liquor policy framework approach in this report. New wine store locations would still be subject to rezoning and assessment utilizing the guidelines for assessing such rezonings.

Commercial development in Burnaby is managed through the Commercial Policy Framework and Commercial Growth Distribution in Burnaby's Official Community Plan (OCP). The Commercial Growth Distribution matrix in the OCP indicates commercial land uses in Town Centres, Village Centres and Neighbourhood Centres.

A key element of the proposed liquor store location framework is that consideration for additional, smaller, LRS's within a quadrant would only occur when there is an established LDB Signature store within the corresponding Town Centre for that quadrant. In some cases, a Town Centre may be able to support additional LRS outlets in addition to the Signature store. In addition to utilizing the site specific guidelines to assess each application for a new liquor store in a quadrant, after the Signature store is established in the Town Centres, consideration may also be given to the question of the total number of liquor stores in each quadrant.

3.5 **Appropriate Number and Distribution of Liquor Stores in Burnaby**

It is noted that the process for having liquor stores approved in Burnaby provides staff and Council the opportunity to evaluate each proposal on its own merits within the context of a rezoning application, and thus the ability to influence the number and location of liquor stores within the City based on a land use rationale. Staff believe this zoning-control approach is supportable, as it provides Council with the flexibility to assess each rezoning application on its own merits within the context of existing liquor stores in Burnaby, land use relationships, Burnaby's population and other physical, social and demographic trends.

As mentioned above, Burnaby currently has 14 liquor stores (9 LRS's and 5 LDB stores). On the basis of existing population, that translates into approximately 1 store per 14,600 people. Staff have not been apprised of any significant gaps in service as it would relate to this general per capita ratio.

Should Council adopt the overall strategy approach outlined in the report, it is emphasized that the rezoning process would be utilized to ensure an appropriate number and distribution of liquor stores within both local areas and the City generally.

3.6 General Guidelines for Assessing Rezoning Applications for Liquor Stores

Criteria for assessing rezoning applications to the C2a and C3a Districts have been utilized by staff since 1988. In 2005, Council also adopted guidelines for assessing rezoning applications to the C2h and C3h Commercial Districts for LRSs. It is recommended, however, that these guidelines be amended and folded into the Liquor Store Framework for Burnaby. Modifications to the guidelines include:

- 1) Removing specific distances between LRSs and other specified land uses, as are in the guidelines for assessing rezoning applications to the C2h and C3h Districts.
- 2) Putting more emphasis on matching the liquor store to the orientation of the commercial area (i.e. larger LDB Signature store in Town Centre, small LDB or LRS with limited hours in local commercial setting).
- 3) Incorporating the two sets of guidelines into a more cohesive set of guidelines to be utilized for all liquor stores.
- 4) Acknowledging in the guidelines that where a liquor store has existed for a significant number of years without creating problems in the community that it may not be pertinent/necessary to apply the separation criteria in the guidelines.
- 5) Putting additional emphasis on the need to address potential security issues on smaller liquor outlets where employee numbers may be at a minimum, particularly at off peak, late evening times. A requirement could include the installation and maintenance of security/surveillance systems.
- 6) Preserving the viability of the Kensington Shopping Centre area as a potential location for a re-established LDB Neighbourhood store in the interim, with a view to it becoming a Signature store in the longer term.

These amended guidelines as recommended are included within **Attachment 1**.

4.0 **IMPLEMENTATION OF FRAMEWORK**

If Council is supportive of the approach outlined, the foregoing will form the Liquor Store Framework for Burnaby, emphasizing LDB Signature Liquor Stores in each of the four Town Centres. A future LDB Signature Store is also proposed for the Marine Way/Byrne Commercial area, and the re-establishment of the LDB Neighbourhood Store in the Kensington Shopping Centre area to serve that part of North Burnaby is indicated. In the case of the Big Bend location, a review as to its long term feasibility and desirability as an LDB outlet could take place in two years. However, for the North Burnaby location, the re-establishment of the Neighbourhood store is viewed as an interim condition which would eventually have it transition through redevelopment to a Signature location. Therefore, in order to encourage this approach, no further LRSs would be recommended in any quadrant which does not have an established (i.e., operational) LDB Signature liquor store. Additionally, it is noted that no further LRS

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establishments would be approved in the Northeast or Northwest Quadrants which may affect the viability of the Kensington location with an LDB Signature Store that is established in the Kensington Shopping Centre area. Further, no LRSs would be approved in the Southwest Quadrant until such time that the Metrotown and Big Bend stores are established as Signature stores, or the review in two years time removes the Big Bend outlet as a Signature store location (the Metrotown location would still be required).

5.0 CONCLUSION

As has been discussed, changes in provincial liquor licensing regulations, practices and standards have required the City to react through numerous bylaw amendments affecting both liquor license establishments (pubs, bars, cabarets etc...) as well as liquor stores. The foregoing Liquor Store Framework for Burnaby is intended to provide a policy context to both staff and Council in the consideration of liquor store rezoning applications. The Framework is a land use-based approach which balances the needs of the community and the liquor retailing industry, while also providing Council with the ability to proactively address many of the issues arising from individual liquor store rezoning applications. At the heart of the Framework is the locational model which is intended to prevent the over-concentration of liquor stores, as well as ensure their location in appropriate, commercially-designated areas. It is believed the proposed Framework is a fair and rational approach to a very problematic policy question and will provide the City with clear direction and land use-based criteria to evaluate liquor store rezoning applications.

Finally, this report requests the LDB to reconsider its current model for government liquor retail outlets as it relates to the City of Burnaby and also include the Marine Way/Byrne Road and Kensington Shopping Centre locations as designated outlets for Signature stores.



J. S. Belhouse
Director Planning and Building

EK:BW:gk
Attach

cc: City Solicitor
City Clerk
Chief License Inspector

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ATTACHMENT #1

Guidelines For Assessing Rezoning Applications For Liquor Stores (C2a, C2h, C3a and C3h Commercial Districts)

These guidelines are intended to provide a higher degree of certainty for the City, the British Columbia Liquor Distribution Branch (BCLDB) and the private sector as to the appropriate locations, types, sizes, general operating considerations and development sequencing for LDB and Licensee Retail Store (LRS) outlets within the City of Burnaby.

Primary Outlets - *LDB Signature Stores*

A rational distribution of LDB Signature outlets within the City are to serve as anchors to offer equity and certainty for clients throughout the City in terms of product availability, convenience and stable government pricing. LDB Signature stores would be established within each of the Town Centres in Burnaby's four quadrants as well as a potential signature store in the Big Bend commercial service centre and the re-establishment of the LDB Neighbourhood store in the Kensington Shopping Centre area, as conceptually shown on the **attached** Sketch #2.

Supporting Outlets – *Licensee Retail Stores or LDB Neighbourhood Stores*

LRSs or smaller neighbourhood scale LDB liquor outlets are to provide a supporting or supplemental role to the primary LDB Signature stores. Rezoning applications for LRS or neighbourhood scale LDB liquor stores would not be supported in a quadrant until the associated LDB Signature store is first established. In the case of the Northeast and Northwest Quadrants, an application for an LRS which could affect the viability of an LDB outlet at the Kensington location would not be supported until the LDB has established a Signature store in the Kensington Shopping Centre area. In the case of the Southwest Quadrant, an LRS application will not be supported until an LDB Signature store is established in both Metrotown and the Big Bend commercial service area (to be reviewed in two years).

Locational Criteria

The core factors that would be considered in making this assessment would include:

1. The proposed locations for LDB Signature stores are within the designated Town Centres in which the liquor store would serve as a component of an overall retail/service development. In addition, a Signature store would be included within an appropriate location within the designated Marine Way/Byrne and the commercial Kensington Shopping centre areas.
2. Supporting LRSs would need to be a component of an established or new commercial service centre (Town Centre, Urban Village or Neighbourhood Centre as outlined in the OCP).
3. A reasonable distribution of both LDB liquor stores (existing/future identified) and LRS's that would allow these stores to sufficiently serve the Municipality while avoiding a concentration of stores in any one area.
4. Observance of an appropriate relationship in terms of direct proximity or orientation with respect to the following uses, particularly when assessing new locations for liquor outlets:
 - a) Private and public schools – especially secondary schools.

**Guidelines for Assessing Rez Apps. For Liquor Stores
To the C2a, C2h, C3a and C3h Commercial Districts
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- b) Adjacent residential dwellings and public parks.
 - c) Other potential 'sensitive' uses (e.g. cabarets, child care centres)
 - d) Any proposed mixed-use projects involving a liquor store would need to be assessed in terms of their compatibility and appropriate integration with component residential uses.
5. Adequate vehicular and pedestrian circulation on the site, including the satisfaction of all parking requirements on the site. Safe, convenient and non-intrusive means of vehicular access to the site and avoidance of any undue traffic impact on the surrounding area.
6. It is acknowledged that in those instances where a liquor store is proposed as a "backfill" to a previous liquor store that has existed for a significant number of years without creating problems in the community, the above criteria may not be applied in the same manner.
7. Following the establishment of the LDB Signature store(s) within the defined quadrant, consideration of additional supporting LDB or LRS outlets would be assessed on their own merits in relation to the defined guidelines.

Store Size

1. Under the BCLDB concept plan, Signature stores are typically 10,000 to 12,000 sq. ft. in size, while neighbourhood scale LDB stores are typically 3,500 to 5,000 sq. ft. in size. LRS's should not exceed a gross floor area of 4,500 sq.ft.

Operational Criteria

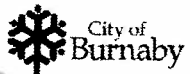
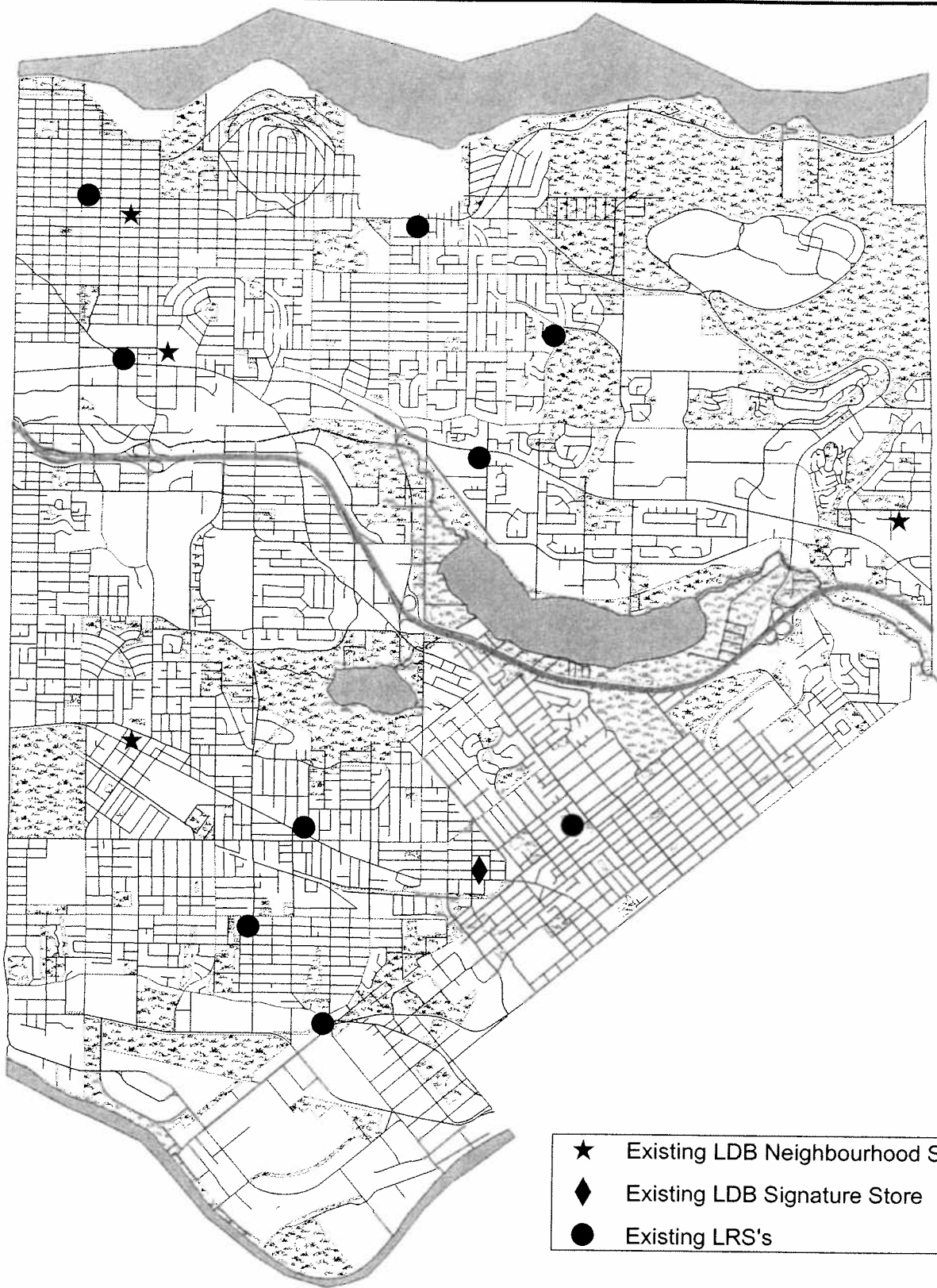
1. Business Hours:

Given that hours of operation could have significant impacts on adjoining land uses, especially residential, they should be determined through the rezoning process and based on any anticipated community impacts. The established business hours would be formalized through registration of a Section 219 Covenant. The criteria to be used in recommending specific operating hours for each liquor store, through processing an application to the pertinent C2a, C2h, C3a or C3h commercial zoning districts, are:

- a. The proposed location of the liquor store in terms of the commercial designation of the subject commercial centre (i.e. Town Centre vs. local commercial). Generally, stores in the Town Centres would have longer and later operating hours than outlets in a more local commercial setting.
- b. The general pattern of operating hours of the commercial businesses in the subject commercial centre.

2. Security

For safety and security purposes, there should be a minimum of two (2) employees present at all times. Additionally, new liquor stores will be required to install, maintain and operate video surveillance systems as a component of their overall security system.



Planning and Building Department

Scale:

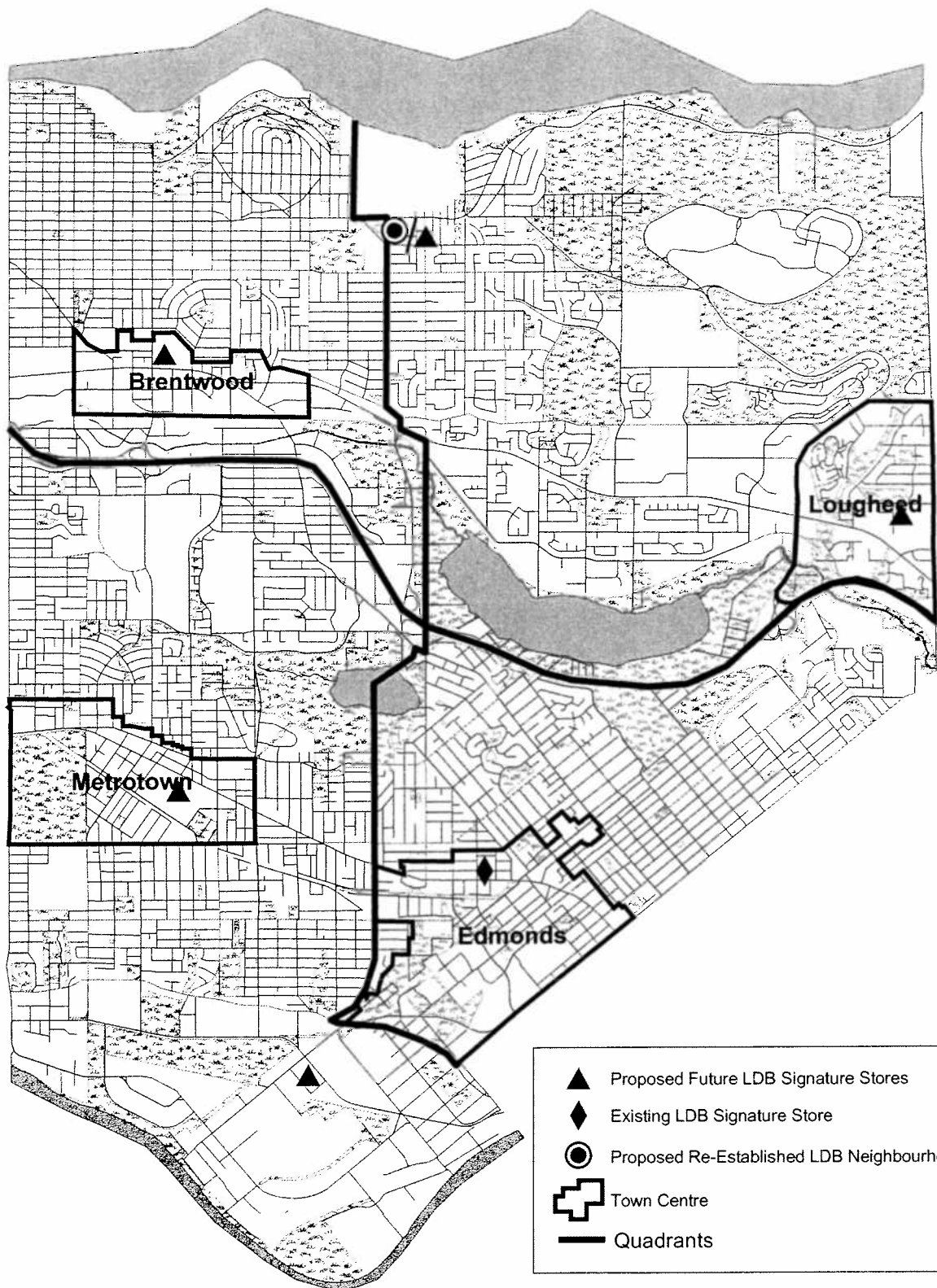
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Date: 2006 April 13

Existing Liquor Stores in Burnaby



Sketch #1



Planning and Building Department

Scale:

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Proposed Liquor Store Framework
LDB Signature Store Locations



Sketch #2