



To: General Purposes Committee
 From: Amarjeet S Rattan
 Manager, Business Liaison
 Re: Empress Lounge Ltd
 8711 Alexandra Road
 Liquor Primary Licence

Date: January 23, 2007
 File:

Staff Recommendation

That a resolution be forwarded to Liquor Control and Licencing Branch which supports a Liquor Primary Licence for Empress Lounge Ltd., at 8711 Alexandra Road, with hours of liquor sales ending at midnight Mondays through Sundays.

Amarjeet S Rattan
 Manager, Business Liaison
 (4686)

Att. 4

FOR ORIGINATING DEPARTMENT USE ONLY		
CONCURRENCE OF GENERAL MANAGER		
REVIEWED BY TAG	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
REVIEWED BY CAO	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

Staff Report

Origin

In December 2005 LCLB notified the City of Richmond of a application by Empress Lounge Ltd., for a Liquor-Primary Licence. The proposed establishment was to be operated at 8711 Alexandra Road. The City had 90 days to comment on the liquor licence application and report back to LCLB.

The City carried out the review criteria and presented a report to the General Purposes Committee held on June 19, 2006 (Attachment 1). At the Council meeting held on June 26, 2006, Council adopted a resolution in support of the Liquor Primary application, with liquor sales ending at midnight Mondays through Sundays on a *Temporary Basis*. A letter from the City was forwarded to LCLB advising them of Council's support (Attachment 2).

In December 2006, the City received a letter from LCLB advising the City that "*LCLB does not have the authority to issue temporary liquor primary licenses , and is therefore requesting an amended resolution.*" (Attachment 3).

This report deals with LCLB's request for an amended resolution.

Analysis

Staff reviewed and processed the original application by Empress Lounge in accordance with the City's Bylaw 7276. As noted in the staff report of May 24, 2006, the applicant completed all City requirements and minimal response was received from the community.

In the May 24, 2006 staff report, the recommendation was for approval on a temporary basis as there was a concern about the potential impact on the community if licensed karaoke establishments and non-licensed karaoke establishment hours of operation varied. The temporary approval would give staff time to review the regulations in the bylaw for all karaoke establishments.

Staff did review the karaoke bylaw regulations and at the Council Meeting held on January 8, 2007, Council adopted regulations on operating hours for all karaoke establishments and introduced enforcement penalties for violations. The concerns raised in the report of May 24, 2006, have been addressed through these amendments.

A letter dated January 18, 2007, was received from the Lawyer representing Empress Lounge Ltd., confirming that there is no change to the business operation from the original liquor primary application (Attachment 4).

Financial Impact

None

Conclusion

As there has been no changes by Empress Lounge Ltd. from the original application for support and, as the Business Regulation bylaw has been amended to address the concerns surrounding the operation of karaoke rooms, it is recommended that a resolution be sent to LCLB supporting a Liquor-Primary licence for this establishment.

Joanne Hikida
Licence Inspector
(4155)

JMH:jmh



City of Richmond

Report to Committee

To: General Purposes Committee

To General Purposes June 19, 2006

Date: May 24, 2006

From: Anne Stevens
Manager

File: 12-8275-30-001/2006-Vol 01

Re: New Liquor Licence Applications
Empress Lounge Ltd, 8711 Alexandra Road, and
King of Karaoke Box, Unit 110-4160 No. 3 Road

Staff Recommendation

- 1 That the application by Empress Lounge Ltd for a new Liquor-Primary licence at 8711 Alexandra Road, be supported on a **Temporary Basis**, with hours of liquor sales ending at midnight Mondays through Sundays, for the reasons outlined in the staff report dated May 24, 2006, from the Manager
- 2 That the application by 689261 BC Ltd, doing business as "King of Karaoke Box", for a new Food-Primary licence with a Patron Participation Entertainment Endorsement at unit 110-4160 No. 3 Road, be supported on a **Temporary Basis** with hours of liquor sales ending at midnight Mondays through Sundays, for the reasons outlined in the staff report dated May 24, 2006, from the Manager
- 3 That a copy of the resolution and all relevant documents associated with the applications be forwarded to the ICLB in accordance with the legislative requirements.
- 4 That Staff be directed to investigate options for regulating hours of operation of karaoke establishments in the City

A Stevens
Anne Stevens
Manager
(4273)

Att. 18

FOR ORIGINATING DIVISION USE ONLY

ROUTED TO:		CONCURRENCE	CONCURRENCE OF GENERAL MANAGER		
R.C.M.P.	Y <input type="checkbox"/> N <input type="checkbox"/>	<i>A Stevens</i>		
Business Licences	Y <input type="checkbox"/> N <input type="checkbox"/>			
Law	Y <input type="checkbox"/> N <input type="checkbox"/>			
REVIEWED BY TAG	YES	NO	REVIEWED BY CAO	YES	NO
	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<i>DW</i>			<i>DW</i>	

Staff Report

Origin

The provincial Liquor Control and Licensing Branch (LCLB) issues licences in accordance with the *Liquor Control and Licensing Act and Regulations*.

The LCLB notifies local government to give them the opportunity to provide comments and recommendations to the LCLB on certain liquor licence applications and amendments. For all NEW liquor licence applications, the LCLB requires the local government to provide a Council resolution that addresses the following review criteria, which is specific to the type of liquor licence:

Type of Liquor Licence	Review Criteria
Food-Primary (with Patron Participation)	<ul style="list-style-type: none"> • the views of the nearby residents and businesses, and the method by which views were gathered, • the potential for noise, • the impact on the community, and • potential for improper operation as a Liquor-Primary establishment.
Liquor-Primary	<ul style="list-style-type: none"> • the location of the establishment, • proximity of the establishment to other social or recreational facilities and public buildings, • the person capacity and hours of liquor service, • the number and market focus or clientele of Liquor-Primary licensed establishments within a reasonable distance of the proposed location; • traffic, noise, parking and zoning, • population, population density and population trends, • relevant socio-economic information, • the impact on the community, and, • the views of nearby residents and businesses, and the method by which views were gathered

The first two sections of this report deal with two NEW applications for karaoke establishments with liquor licences in Richmond’s City Centre:

1. *Empress Lounge*

On December 6, 2005, the City received the application summary from the LCLB for a new Liquor-Primary licence for Empress Lounge Ltd (Attachment 1). The proposed establishment will be located at 8711 Alexandra Road.

2. *King of Karaoke Box*

On February 8, 2006, the City received an application by 689261 BC Ltd, doing business as “King of Karaoke Box”, for a new Food-Primary liquor licence with a Patron Participation Entertainment Endorsement (Attachment 2). This establishment is located at unit 110-4160 No. 3 Road, and has been operating as a karaoke restaurant at this location since 2004 with no liquor service.

The third section of this report discusses options for dealing with applications for additional karaoke establishments in Richmond.

1. Analysis & Comments on the Review Criteria – Empress Lounge Ltd

A) Application summary

Item	Details
Application	New
Type	Liquor-Primary Licence
Location	8711 Alexandra Rd
Requested Hours of Liquor Sales	2:00 pm – 1:00 am Mondays to Wednesdays, 2:00 pm – 1:30 am Thursdays to Saturdays, 2:00 pm – 12:00 am Sundays.
Zoning	C6
Business Owners	Empress Lounge Ltd. Michael Chien Hung Wu, President
Date Received	December 6, 2005
Date Sign Posted	February 27, 2006
Ads in Newspaper	February 28, March 3, and March 7, 2006
Letters to residents	February 28, 2006
Public Notification Period	February 28-March 30, 2006
Deadline to provide Resolution	May 31, 2006

B) Location of the establishment and proposed operations

The proposed Empress Lounge Ltd is located at 8711 Alexandra Road (Attachment 3). This property is zoned Automobile-Oriented Commercial District (C6), which allows Commercial Entertainment. The karaoke lounge proposed by the applicant is consistent with the zoning for this property.

The area surrounding the property is mainly commercial with residential to the north. Currently, there are vacant commercial lots immediately west and south of the proposed establishment. There is a shopping plaza to the east with various food and retail services. Immediately to the north of the property is a single-family residential area that stretches further north. The City Centre Area Plan's vision for future redevelopment of this residential area is "mixed-use light industrial".

The applicant's intent is to operate a two-storey karaoke facility, which is divided into two areas. The main floor of the building is intended to have several karaoke rooms open to the general public and will not be licensed to serve liquor. The second floor of the building is the proposed Liquor-Primary licensed area, which is intended to be a "high-class lounge" where working adults and tourists can go to relax, socialize, and be entertained through either live performances or through karaoke singing. There are also two karaoke rooms proposed on the second floor that will be available by reservation only. All karaoke rooms must be constructed in accordance with Part 10 of the Business Regulation Bylaw No. 7538 (Attachment 4).

C) Proximity to social, recreational, and public facilities

There are no publicly operated facilities located within 100 metres of the proposed establishment.

The LCLB inspector identified that the proposed establishment is located directly across from a private Montessori School. The City's records confirm that "Harvest Montessori Preschool & Daycare Ltd" is located at unit # 120-8740 Alexandra Road, which is within 50 metres of the proposed establishment.

The proposed hours of liquor sales for the karaoke facility begin in the afternoon and Staff feel that business activity at the karaoke facility will be mainly in the evening. Assuming the proposed karaoke facility is run responsibly, staff feel that its' business activities may not affect the Montessori school. Staff received no response from the Montessori school as a result of the public notification process.

D) Person capacity and hours of liquor service

The proposed person capacity of the licensed area is 70 persons. The proposed licensed area is located on the 2nd floor of the building. The applicant has already applied for a building permit to construct the proposed karaoke facility, and the City's records indicate that an occupant load of 140 has been identified for the entire building (1st and 2nd floors). Staff are concerned about this inconsistency because of the potential for patrons to move between the floors thereby exceeding the person capacity of the licensed area.

Empress Lounge Ltd is requesting liquor service hours on Mondays through Wednesdays from 2:00 pm until 1:00 am, Thursdays through Saturdays from 2:00 pm until 1:30 am, and Sundays from 2:00 pm until midnight. The requested hours are consistent with the City's policy 9305 on Liquor-Primary licence hours of operation, which indicates that the City will not recommend closing hours beyond 2:00 am (Attachment 5).

E) Other Liquor-Primary licensed establishments in the area

The proposed karaoke establishment is located within close proximity to the following three Liquor-Primary licensed establishments.

- Zodiac Karaoke is located at unit # 155-8291 Alexandra Road, which is approximately 0.4 km away on the same side of the street as the proposed Empress Lounge Ltd. The total person capacity of this establishment is 196. The hours of liquor service are from 7:00 pm until 2:00 am on Mondays through Saturdays, and from 7:00 pm until midnight on Sundays. The market served by this establishment is adults aged 19-23 years old.
- VII is located at unit # 130-8500 Alexandra Road, which is approximately 0.1 km away on the opposite side of the street from the proposed Empress Lounge Ltd. The total person capacity of this establishment is 72. The hours of liquor service are from 12:00 pm until 2:00 am seven days per week. The market served by this establishment is adults aged 19-25 years old. This establishment also provides karaoke entertainment to its customers.
- Four Points Sheraton Vancouver Airport Hotel is located at 8368 Alexandra Road, which is approximately 0.3 km away on the opposite side of the street from the proposed

Empress Lounge Ltd. The total person capacity of the Liquor-Primary licensed area within the hotel is 29. The hours of liquor service are from 11:00 am until 1:00 am on Mondays through Saturdays, and from 11:00 am until midnight on Sundays. The market served by this establishment is adults of all ages.

The LCLB's records indicate that there have been two proven liquor contraventions at two Liquor-Primary licensed establishments listed above (Zodiac Karaoke and VII) between January 2003 and October 2005. The nature of the proven contraventions were:

- licensee or employee consuming liquor in premises; and,
- selling liquor to an intoxicated person.

In addition, the LCLB's records indicate that there have been approximately 30 contravention notices issued to nearby Food-Primary licensed establishments since January 2004. The nature of the contravention notices included:

- operating outside the class of the licence;
- failing to clear liquor after liquor service hours have ended;
- failing to check ID; and,
- supplying to minors.

Alexandra Road has been the most enforced area in Richmond because of frequent violations. Staff are concerned about the number of contraventions in the area, the number of existing karaoke establishments (licensed and non-licensed) in the area, and the impact of an additional licensed establishment in the area. Staff are also concerned that there is the potential for patrons to travel from the proposed establishment to other Liquor-Primary licensed establishments in the area because of differences in closing hours.

F) Traffic, noise and parking

It is understood that this area is presently impacted by traffic congestion due to the high density of retail trade and services in the area. It is anticipated that the addition of the proposed establishment to the area will bring a slight increase in traffic to the area.

During the review of the Development Permit Application for the proposed karaoke establishment, staff provided the following comments on parking requirements:

"The required number of off-street parking spaces was a primary concern noted by staff in previous submissions of the building. An agreed parking ratio based upon occupant load of this single-purpose building was utilized to calculate the number of required off-street parking stalls (The City's Zoning and Development Bylaw does not identify a parking requirement for Karaoke oriented facilities). Based on a building occupancy of 81 people and a parking ratio of 2.2 people per vehicle, the building requires a total of 37 off-street parking stalls excluding the floor area dedicated to utility areas. Transportation staff have reviewed the required parking based on occupant load of the building and determined that the number of off-street parking spaces is sufficient based on this calculation."

Staff have concerns about the parking situation due to the following inconsistencies between what was approved in the Development Permit and Building Permit, and what is indicated in the Liquor-Primary licence application:

- The Letter of Intent submitted by the applicant to the LCLB indicates 45+ off-street parking spaces available to patrons. This is incorrect and was based on previous development plans. The actual number of parking spaces approved in the Development Permit is 37 spaces, 73% of which are for small car stalls.
- The parking ratio agreed upon by the City was calculated based on a proposed person capacity of 81 people. The City's records indicate that an occupant load of 140 has since been identified for the entire building. Staff are concerned that there is the potential for the maximum capacity to be the norm, in which case the parking would not be sufficient.

Although some additional noise is anticipated, the proposed establishment is situated in an area already impacted by ambient noise from surrounding uses. The applicant has proposed some indirect measures to prevent noise resulting from patrons entering/leaving the karaoke facility. This includes surveillance cameras in the parking lot and security guards inside and outside the building. Any noise concerns originating from the proposed establishment in future would be dealt with in accordance with the City's regular methods of enforcement.

G) Population factors and trends

The table below indicates a population growth rate of 35% within a half-mile of the proposed establishment, and a growth rate of 17% within one mile from 1996 to 2001. Richmond's overall population increased by 10.4% during the same period.

Year	Pop. within 0.5 miles	Pop. within 1 mile	Overall Pop.
1996	3,260	15,700	148,867
2001	4,387	18,337	164,345
	+ 35%	+ 17%	+10.4%

(Source: BC Stats and Statistics Canada)

Age characteristics provided by Statistics Canada indicate that 30% of Richmond's total population is aged 25-44 years old. This age group is the target market of the proposed establishment.

Population density is expected to increase in the City Centre area as a result of a number of high-density residential buildings being planned and those that are currently underway.

It can be argued that the growth rate and expected increase in density in the area supports the growth in the number of licensed entertainment establishments. However, there are currently six karaoke establishments in the area, four of which are located on Alexandra Road, and two of which are licensed to serve liquor. In the absence of any restrictions on the number and location of karaoke establishments in the City, Staff feel that the marketplace will determine whether there is an excess of such establishments in the area.

H) Socio-economic factors

Data provided by BC Stats indicates that the percentage of residents in Richmond receiving income assistance and unemployment insurance benefits is lower than the provincial average. Richmond's unemployment rate of 7.2% is also lower than the provincial rate of 8.5%.

The data also shows that Richmond has a growing number of businesses. Major industries in Richmond include retail trade, accommodation and food services, transportation, warehousing, and manufacturing.

These trends indicate that the socio-economic situation in Richmond is generally positive and capable of supporting additional licensed entertainment establishments.

I) Potential impact on the community

The potential for negative impacts on the community associated with liquor consumption are understood.

Once again, Staff have the following concerns about the potential impact of the proposed establishment:

- the number of liquor contraventions proven or observed at licensed establishments in the area;
- the number of existing karaoke establishments (licensed and non-licensed) in the area; and,
- the potential for patrons to travel from the proposed establishment to other Liquor-Primary licensed establishments in the area because of differences in closing hours.

As part of this review, the City is required to comment on whether an application for a new Liquor-Primary establishment is in the public interest. Staff are generally not supportive of the addition of a new licensed establishment in the area due to the above concerns. However, in the absence of major public opposition to the application, and in the absence of any restrictions on the number and location of karaoke establishments in the area, incidents of non-compliance will have to be dealt with as they arise.

J) Views of nearby residents, businesses, and property owners

To satisfy the provincial requirements, the City established an application review process, which includes several public notification requirements clearly outlined in Part 1.9 of Bylaw 7276 (Attachment 6).

The applicant is required to notify the public and to request their comments on the application. The applicant completed all of the City's requirements, which includes:

- posting a sign on the subject site for a minimum of 30 days (Attachment 7),
- placing three ads in the local newspaper (Attachment 8), and
- paying a City application review fee, part of which covers the cost of sending letters to businesses, residents, and property owners within 100 metres of the establishment (Attachment 9).

There are 118 properties located within the public notification area. Letters were sent to 172 residents, businesses, and property owners associated with such properties to gather their views on the application. 36 letters were returned undeliverable (approx 20 %).

The public notification period for this application ended on March 30, 2006.

The response from the community was minimal. The City received three written responses from nearby businesses that oppose the application (Attachment 10). Reasons sighted by respondents were:

- potential for intoxicated customers vandalizing adjacent property;
- violence, theft, car accidents, drinking and driving;
- higher traffic volumes will create dangerous driving situations;
- difficulty leasing commercial space;
- karaoke crowd and liquor does not mix;
- already too many restaurants and karaoke boxes on the street; and,
- will attract teenagers and gangsters into the neighbourhood;

K) Other comments

Comments from the RCMP indicate the problems they have with doing inspections at liquor establishments located on the 2nd floor. Access to elevators and locking of access doors often leads to enforcement being a problem.

2. Analysis & Comments on the Review Criteria – King of Karaoke Box

A) Application summary

The King of Karaoke Box restaurant is located at unit 110-4160 No. 3 Road, just southeast of the Cambie Road intersection (Attachment 11). This establishment has been operating as a karaoke restaurant at this location since 2004 with no liquor service. The applicant has applied to the LCLB for a new Food-Primary liquor licence with a Patron-Participation Entertainment Endorsement. The proposed hours of liquor service are from 2:00 pm until midnight seven days per week.

The applicant's intent is to have a main restaurant area that includes karaoke singing, plus eight karaoke rooms. All karaoke rooms must be constructed in accordance with Part 10 of the Business Regulation Bylaw No. 7538 (Attachment 4).

The table below provides a summary of the application:

Item	Details
Application	New
Type	Food-Primary Licence
Location	Unit # 110 – 4160 No. 3 Road
Requested Hours of Liquor Sales	2:00 pm – 12:00 am Mondays to Sundays
Zoning	C6
Business Owners	689261 BC Ltd. Cho Kee Ng, President
Date Received	February 8, 2006
Date Sign Posted	March 21, 2006
Ads in Newspaper	March 21, March 24, and March 28, 2006
Letters to residents	March 23, 2006
Public Notification Period	March 21-April 20, 2006
Deadline to provide Resolution	August 9, 2006

The subject property is zoned Automobile-Oriented Commercial District (C6), which allows Commercial Entertainment. The karaoke restaurant proposed by the applicant is consistent with the zoning for this property.

The surrounding area is made up of commercial uses. The property located to the east of the karaoke establishment is Aberdeen Centre. The properties located to the north and south include retail trades and services, as well as food service establishments. The properties located on the west side of No. 3 Road include retail trades and services, food services, a gas station and automotive services.

B) Views of nearby residents, businesses, and property owners

To satisfy the provincial requirements, the City established an application review process, which includes several public notification requirements clearly outlined in Part 1.9 of Bylaw 7276 (Attachment 6).

The applicant is required to notify the public and to request their comments on the application. The applicant completed all of the City's requirements, which includes:

- posting a sign on the subject site for a minimum of 30 days (Attachment 12),
- placing three ads in the local newspaper (Attachment 13), and
- paying a City application review fee, part of which covers the cost of sending letters to businesses, residents, and property owners within 100 metres of the establishment (Attachment 14).

There are 30 properties located within the public notification area. Letters were sent to 254 residents, businesses, and property owners associated with such properties to gather their views on the application. 46 letters were returned undeliverable (approx 18 %).

The public notification period for this application ended on April 20, 2006.

The City did not receive any response from the community during the public notification process. In the absence of public feedback on this application, the remaining criteria were reviewed based on the compliance history of the applicant, on staff opinion, and the opinions of the agencies consulted.

C) Potential for noise

The karaoke restaurant is located in a commercial area that is already impacted by ambient noise from commercial uses. Staff feel that the potential for increased noise from karaoke singing originating inside the establishment is minimal.

There is some concern over the potential for noise from patrons leaving the karaoke restaurant after having consumed liquor. The proposed hours of liquor sales and the karaoke entertainment itself must end at midnight, in accordance with the provincial legislation. Any noise complaints would be dealt with using the City's regular methods of enforcement.

D) Potential impact on the community

This property was previously occupied by "Vox Karaoke", which had a history of non-compliance with City regulations. The business has since undergone a change of ownership to 689261 BC Ltd doing business, as "King of Karaoke Box" and no issues have been recorded to-date as a non-liquor establishment.

Staff also have concerns about the potential for patrons to travel from the proposed establishment to other licensed establishments in the area because of differences in closing hours. The karaoke restaurant is located in close proximity to a Liquor-Primary establishment at 7920 Cambie Road, on the west side of No. 3 Road. This property is less than 100 metres from the karaoke restaurant and is occupied by "Club XOX" (formerly known as "Viva Club"), which has a

history of non-compliance with City regulations. Hours of liquor service at Club XOX end at 2:00 am Mondays through Saturdays, and midnight on Sundays.

Staff feel that incidents of non-compliance would have to be dealt with as they arise, and would be addressed using the City's regular methods of enforcement

E) Potential for improper operation as a Liquor-Primary establishment

For this type of liquor licence application, the City must also consider whether there is the potential for the establishment to operate improperly as a Liquor-Primary establishment.

Staff are basing this assessment on the applicant's intent, their compliance history, and their proposed food service menu. The applicant's letter of intent states:

"...that there will be no change in how the karaoke facility is operated after the liquor licence has been issued...that they do not anticipate there being any additional noise or other impact on the community, nor that the facility will be operated in a manner that is contrary to its primary purpose...The reason that we have applied for a liquor licence is for the convenience of our customers only..."
(Attachment 15).

There are some concerns about the food menu proposed by the applicant. Initially, the proposed food menu submitted by the applicant to the LCLB was insufficient to operate a Food-Primary licensed establishment (Attachment 16). The applicant has since revised the menu to include more substantial food items, including appetizers, salads, sandwiches, and burgers (Attachment 17). It is also understood that the restaurant's kitchen is not currently equipped to prepare the proposed food menu items. Staff are concerned that the applicant has revised the menu simply for the purpose of obtaining their liquor licence. Staff would like to ensure that the LCLB requires the applicant to undertake the associated kitchen modifications necessary to prepare the food proposed on their menu.

F) Other comments

Staff have considered comments from Vancouver Coastal Health, Richmond RCMP, Richmond Fire-Rescue and the City's Building Approvals department. These agencies provide comments on the compliance history of the applicant in light of their mandates.

Under the present ownership there is no history of non-compliance at the karaoke restaurant from a health, building, RCMP, or business licence perspective. However, Richmond Fire-Rescue has identified several Fire Code violations at this establishment. It is understood that follow-up to these Fire Code violations will be done as part of Richmond Fire-Rescue's regular methods of enforcement.

3. Karaoke in General

This report deals with two applications by karaoke establishments to obtain liquor licences. There are currently no City regulations on hours of operation for karaoke establishments or on

their location in proximity to each other or to residential areas. Neither the City nor the LCLB has regulations restricting the proximity between licensed establishments. The absence of such regulations has created a situation where several karaoke establishments, both licensed and non-licensed, are operating in close proximity to one another. Attachment 18 includes a table and a map showing the location of karaoke establishments in Richmond. For example, there are six karaoke establishments located on or near Alexandra Road, two of which are licensed to serve liquor, both of which have had proven contraventions by the LCLB.

This issue is problematic for two reasons:

- there exists the potential for patrons to travel from one licensed karaoke establishment to another because of different closing hours; and,
- the potential for problems associated with liquor is greater because licensed establishments are concentrated in one area.

This has raised the question of what to do in the future with karaoke liquor licence applications and amendments, or what to do with those karaoke establishments that do not have a liquor licence. Those that do not have a liquor licence are generally only policed on a complaint basis, yet those with a liquor licence are policed on a more regular basis.

Staff present three options for dealing with future Karaoke applications:

a) Option 1: Do Nothing

If this option is chosen, liquor licence applications will continue to be considered on a case-by-case basis in light of the compliance history of the applicant, the views of the community, and on staff opinion. The problem with this option is that for new applications, where there is no compliance history associated with the establishment, there is no way of knowing what the cumulative impact will be if more and more applications are approved. This could result in a negative impact on the community in the future if such establishments develop a poor compliance record.

b) Option 2: Investigate the feasibility of regulating hours of operation of karaoke establishments

Currently, the City regulates operating hours of certain businesses using various methods. The table on the next page shows the types of businesses and the method by which they are regulated

Should Council wish to regulate the hours of operation of karaoke establishments, it could be done through the Business Regulation Bylaw in the same way as the businesses listed in the table. This option would prevent incidents of non-compliance that generally occur in karaoke establishments at later hours by limiting the hours they may remain open. It is easier to enforce hours of operation than it is to enforce smoking and liquor infractions. Staff feel this would be the preferred option. The policing of these establishments could then be done on a more regular basis by the Joint Inspection team. This approach would also provide some proactive direction for reviewing future applications.

Type of business	Details of the regulation	Method
Amusement Centres	Hours of operation are: <ul style="list-style-type: none"> Sundays to Thursdays 8:00 am to 1:00 am Fridays and Saturdays 8:00 am to 2:00 am 	Business Regulation Bylaw No. 7538
Billiard/Pool Halls	Hours of operation are: <ul style="list-style-type: none"> Sundays to Thursdays 8:00 am to 1:00 am Fridays and Saturdays 8:00 am to 2:00 am 	Business Regulation Bylaw No. 7538
Body-Painting/Body-Rub Studios	Hours of operation: <ul style="list-style-type: none"> Sundays to Thursdays 8:00 am to midnight Fridays and Saturdays 8:00 am to 1:00 am 	Business Regulation Bylaw No. 7538
Food-Primary Establishments	Requests for extension of liquor service hours beyond 2:00 am will not be considered by the City.	Policy 9305
Liquor-Primary Establishments	Requests for extension of liquor service hours beyond 2:00 am will not be considered by the City.	Policy 9305
Neighbourhood Pubs	Closing hours are midnight-weekdays and 1:00 am on Friday nights and Saturday nights	Policy 9302
Registered Massage Therapy Clinics & Therapeutic Touch Clinics	Hours of operation: <ul style="list-style-type: none"> 8:00 am to 9:30 pm daily 	Business Regulation Bylaw No. 7538

c) Option 3: Investigate the feasibility of regulating the location of karaoke establishments

Another option would be to regulate the location of karaoke establishments to discourage the proliferation and concentration of such businesses in the same area, and to discourage locating close to residential properties.

Currently, karaoke establishments are not specifically defined in Zoning & Development Bylaw No. 5300. This means they can be located in any zoning district that allows Commercial Entertainment, which is essentially any commercial area in Richmond, regardless of the proximity to residential uses.

Currently, the City regulates the location of certain businesses using various methods. The table on the next page shows the types of businesses and the method by which they are regulated.

Should Council wish to regulate the location of karaoke establishments, it could be done through the Zoning & Development Bylaw or through a policy in the same way as the businesses listed in the table. This option would discourage the concentration of karaoke establishments in one area, or near residential areas. This approach would provide some proactive direction for reviewing future applications.

Type of business	Details of the regulation	Method
Pawnbroker	Limited to C6 zoning district and must not be located within 100 m of any residential or public use zone, nor within 1500 m of the Casino.	Zoning & Development Bylaw No. 5300
Adult Video Store Adult Paraphernalia Store Body-Painting/Body-Rub Studios	Limited to C6 zoning district and must not be located within 100 m of any residential or public use zone, nor within 500 m of the Casino.	Zoning & Development Bylaw No. 5300
Licensee Retail Store	Must be accessory to a Neighbourhood Pub.	Zoning & Development Bylaw No. 5300
Licensee Retail Store – Type 2	Requires a rezoning application for inclusion as a site-specific permitted use. Should avoid locations within 500 m from public and private schools, especially secondary schools, public parks and community centres, and other Licensee Retail Stores or BC government operated liquor stores.	Zoning & Development Bylaw No. 5300 Policy 9309

Financial Impact

None at this time

Conclusion

Staff reviewed the applications by Empress Lounge Ltd and by 689261 BC Ltd for new liquor licences. Both applications were reviewed and processed in accordance with the City's Bylaw 7276, and both applications were considered in light of the provincial review criteria.

Both applicants completed all of the City's requirements.

The City received minimal response from the community for both applications. The public notification process included ads in the local newspaper, signs posted on the subject properties, and letters to the neighbourhood.

Empress Lounge Ltd

172 letters were sent to residents, businesses, and property owners to gather their views on the application. 36 letters were returned undeliverable (approx 20 %), and three responses opposing the application were received.

King of Karaoke Box

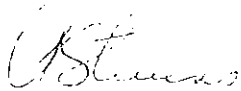
254 letters were sent to residents, businesses, and property owners to gather their views on the application. 37 letters were returned undeliverable (approx 15 %), and no responses were received.

Finally, staff has concerns about the potential impact on the community if licensed karaoke establishments or non-licensed karaokes are granted hours that vary from one to the other. Presently staff does not attend the non-licensed establishments on a regular basis unless it is complaint driven. Staff attends the licensed establishments with the LCLB and RCMP as a joint inspection team more regularly.

Staff recommend that Council support **temporary** licences for both establishments for a period of eleven months. The recommended hours of liquor sales are:

- 2 p.m. until 12 midnight seven days per week at Empress Lounge Ltd and
- 2 p.m. until 12 midnight seven day a week at King of Karaoke.

Once the eleven months are completed Council will be in a better position to make a recommendation on permanent licences. This will also allow staff time to review the possibility of introducing hours of operation for all karaoke establishments in Richmond. This can be accomplished through the Business Licence Bylaw review which is presently in progress. This will also give the surrounding neighbourhoods the opportunity to express their views based on the actual operations of these establishments during the temporary period.



Anne Stevens
Manager
(4273)

AS2-cl



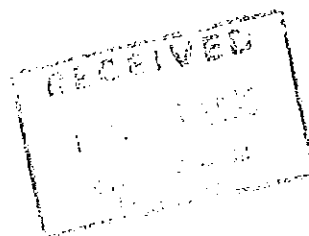
BRITISH
COLUMBIA

APPLICATION SUMMARY
For
Empress Lounge Ltd. and The City of Richmond

Date: December 1, 2005

Created by: Kathy Vidalis, Senior Licensing Analyst

Re: Application for: Liquor Primary Licence
Applicant: Empress Lounge Ltd.
Proposed site: Unit A2 - 8711 Alexandra Road
Establishment Name: Empress Lounge



1. APPLICATION INFORMATION

Date Complete Application Received: September 16, 2005

Local Government or First Nation Jurisdiction: City of Richmond

The primary business focus of the proposed establishment: Liquor Primary Licence

Person Capacity Requested: 70 Persons: inside area
0 Persons: patio area

Hours Requested:

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
2:00 PM	2:00 PM	2:00 PM	2:00 PM	2:00 PM	2:00 PM	2:00 PM
1:00 AM	1:00 AM	1:00 AM	1:30 AM	1:30 AM	1:30 AM	12:00 Midnight

Endorsements Requested: none identified
Statutory Prohibitions to Consider: none identified

2. APPLICANT SUITABILITY INFORMATION (Fit and Proper)

Applicant has met the eligibility and suitability requirements of the Liquor Control and Licensing Act

3. LOCATION/SITE FACTORS

The legal description of the proposed site is PID # 011-096-748

The following sections are compiled from information provided by the applicant except where indicated otherwise

The LCLB staff has confirmed that the proposed establishment, Empress Lounge is to provide a high end private lounge for locals and tourists to relax and socialize. The establishment will consist of two private rooms within the licensed area to be used for private business meetings. These rooms will be available by pre-booking only.

The proposed establishment will have entertainment, for example a pianist will perform occasionally on the stage. The establishment will not be hosting karaoke or have a dance floor as indicated on the preliminary floor plans.

The proposed site is currently a vacant lot that backs onto a residential area. The proposed establishment will be within a standalone building on the second floor. The applicant has indicated that the future plans for the main floor could contain rentable space including a restaurant and/or karaoke facility. Patrons wanting access to the proposed licensed area on the second floor will utilize a controlled elevator.

LG has indicated that a development permit was processed with a karaoke facility in mind; however, the most recent information provided to the LCLB (as stated above) indicates that the proposed liquor primary area will not be used for karaoke.

The LCLB Compliance and Enforcement Officer have noted concerns with the proposed area

See attached - Applicant's Letter of Intent

- a) **Target Market:** (see Attachment 1- Applicant letter of intent)
- b) **Hospitality/Tourism Development Factor:** (see Attachment 1- Applicant letter of intent)
- c) **Benefits to the Community:** (see Attachment 1- Applicant letter of intent)
- d) **Traffic in the Vicinity:** (see Attachment 1- Applicant letter of intent)
- e) **Noise in the Community:** (see Attachment 1- Applicant letter of intent)
- f) **Parking Issues:** (see Attachment 1- Applicant letter of intent)
- g) **Municipal Zoning:** (see Attachment 1- Applicant letter of intent)
- h) **Commercial/Residential/Light or Heavy Industrial Neighbourhoods:** (see Attachment 1- Applicant letter of intent)

The following information is provided by both the applicant and the Liquor Control and Licensing Branch

- i) **Distance measure used for public buildings and other liquor primary licensed establishments:** two block radius.

June 27, 2006
 File: 12-8275-30-001/2006-Vol 01

City Clerk's Office
 Telephone: (604) 276-4007
 Fax: (604) 278-5139

Ms. Mary Freeman
 Assistant General Manager
 Liquor Control and Licensing Branch
 PO Box 9292 Stn Provincial Government
 Victoria BC V8W 9J8

COPY

Dear Ms. Freeman:

Re: Liquor Licence Amendment Requests

Please be advised that on Monday, June 26, 2006 Richmond City Council, passed the following resolution with regard to the liquor licence application for Empress Lounge Ltd. and King of Karaoke Box:

- (1) *That the application by Empress Lounge Ltd for a new Liquor-Primary licence at 8711 Alexandra Road, be supported on a Temporary Basis, with hours of liquor sales ending at midnight Mondays through Sundays, (for the reasons outlined in the staff report dated May 24, 2006, from the Manager)."*
- (2) *That the application by 689261 BC Ltd, doing business as "King of Karaoke Box", for a new Food-Primary licence with a Patron Participation Entertainment Endorsement at unit 110-4160 No. 3 Road, be supported on a Temporary Basis with hours of liquor sales ending at midnight Mondays through Sundays, (for the reasons outlined in the staff report dated May 24, 2006, from the Manager)."*
- (3) *That a copy of the resolution and all relevant documents associated with the applications be forwarded to the LCLB in accordance with the legislative requirements.*
- (4) *That staff investigate options for regulating hours of operation of karaoke establishments in the City.*

Attached for your reference are:

- the minutes of the, June 26, 2006 Richmond City Council meeting
- the minutes of the June 19, 2006 General Purposes Committee meeting
- the staff report dated, May 24, 2006 from the Manager, Customer Services

Please note that if this application is approved, it should be stipulated that both fire safety and building safety conditions must be addressed by the applicant to the satisfaction of the City. If you need further information on this matter, please contact Anne Stevens, Manager, Customer Services at (604) 276-4273.



December 13, 2006

Job #36720174-001

Mr. Amarjeet Rattan, Manager, Business Liaison
 Business and Financial Services
 City of Richmond
 6911 No. 3 Road
 Richmond BC V6Y 2C1

Dear: Mr. Amarjeet Rattan

Re: Application for: Liquor Primary Licence
Applicant: Empress Lounge Ltd.
Proposed site: Unit A2 – 8711 Alexandra Road

The Empress Lounge Ltd. has applied to the Liquor Control and Licensing Branch (LCLB) for a liquor primary licence to be located at Unit A2- 8711 Alexandra Road. LCLB has completed the initial review of the application to determine applicant suitability and eligibility of the establishment type for licensing. As part of that process, a ministry inspector has completed a site visit of the proposed establishment location.

Once the applicant's eligibility was determined, we then proceeded to the Site and Community Assessment stage which is the stage for local government input. The Resolution, from the City of Richmond, was received June 29, 2006.

The Resolution received reported that the Council supported the new Liquor Primary licence on a *Temporary Basis*. LCLB does not have the authority to issue temporary liquor primary licenses, and is therefore requesting an amended Resolution.

The Council for the City of Richmond is asked to consider the application and to provide an amended Resolution with their comments and recommendation with respect to the licence application. To assist with Council's assessment of the statutory criteria that must be considered, Liquor Control and Licensing staff have prepared a summary report for review and consideration by Council. This report was included in earlier correspondence but an additional copy has been provided for your assistance. The summary report is based on information provided by the applicant and by LCLB staff.

Council has 90 days to either provide comments to the general manager, or to advise that they wish to "opt out" of the process. Additional time over the 90 days can be approved by LCLB if the request is received in writing prior to the end of the 90 day period.

Ministry of Public Safety
 and Solicitor General

Liquor Control and
 Licensing Branch

Mailing Address:
 PO Box 9292 Stn Prov Govt
 Victoria BC V8W 9J8
 Telephone: 250 387-1254
 Facsimile: 250 387-9184

Location:
 Second Floor, 1019 Wharf Street
 Victoria BC

[http:// www.pssg.gov.bc.ca/lclb](http://www.pssg.gov.bc.ca/lclb)

Further details of the liquor licensing application process can be found in the "Role of Local Government and First Nations in the Provincial Liquor Licensing Process" guidelines, enclosed for your reference and also available on the branch website at <http://www.pssq.gov.bc.ca/lclb/>. Any questions on the process should be referred to Pat Sarsfield, Manager, Industry and Local Government Relations at (250) 387-3086.

If you have any questions regarding this application please contact me at (250) 387-9150.

Sincerely,



Joan Fredericks
Senior Licensing Analyst

Enclosures

Copy: Inspector, Doug Dyck
Empress Lounge Ltd. c/o Mr. Garth Evans

BARBEAU, EVANS & GOLDSTEIN

BARRISTERS & SOLICITORS - TRADEMARK AGENTS

Suite 280, Park Place T. 604 685-5235
666 Burrard Street F. 604 685-9104
Vancouver, BC www.beg-law.com
V6C 2X8 Canada garth@beg-law.com

Reply To: Garth M. Evans
Our File No.: 04-1017

ATTACHMENT 4

January 18, 2007

Via Email: joan.fredericks@gov.bc.ca

MINISTRY OF PUBLIC SAFETY
AND SOLICITOR GENERAL
Liquor Control & Licensing Branch
PO Box 9292 Stn Prov Govt
Victoria, BC
V8W 9J8

Attention: Joan Fredericks

Dear Sirs/Mesdames:

Re: New Liquor Primary Licence Application
Applicant: Empress Lounge Ltd.
Proposed Site Address: Unit A2 - 8711 Alexandra Road, Richmond, BC
Your File No. 73500-20/ Your Job No. 36720174-001

We write further to our letter to you dated December 6, 2006 and the writer's telephone conversation with your Joan Fredericks on January 18, 2007.

As requested, we hereby confirm that all of the information contained in our January 23, 2006 letter to you remains correct and accurate and that the plan of the premises attached to our January 23, 2006 letter has not been changed and accurately represents the subject premises.

We trust you will find the above to be in order and the information you require. Should you have any questions with respect to the same, please do not hesitate to contact the writer.

Yours very truly,

BARBEAU, EVANS & GOLDSTEIN

Per: Garth M. Evans

cc: Empress Lounge Ltd.

GME:kg

C:\client documents\wu\ministry jan 18.07 letter