

# Implications of Alcohol Sales on Sensitive Uses and Entertainment Districts and Information on Appeals and Regulations

## Recommendation

That the March 5, 2019, Urban Form and Corporate Strategic Development report CR\_6498, be received for information.

## Previous Council/Committee Action

At the October 2, 2018, Urban Planning Committee meeting, the following motion was passed:

That Administration provide a report with the following information:

1. The separation of Major and Minor Alcohol Sales from additional sensitive uses,
2. Analysis of the impact of concentration of liquor stores on entertainment districts,
3. Subdivision and Development Appeals Board decisions on appeals of Major and Minor Alcohol Sales,
4. Current information about Cannabis Retail Sales approvals, variances and Subdivision and Development Appeals Board decisions; and
5. A description of Alberta Gaming, Liquor and Cannabis' jurisdiction as a regulator of liquor stores.

## Executive Summary

Administration reviewed a number of issues relating to alcohol sales. The findings, outlined in this report, identified:

- Separating alcohol sales from additional sensitive uses may make it difficult for social service providers to secure locations situated near liquor stores. This approach will have far-reaching consequences on development permit classifications.
- Vancouver and Calgary have used area-specific regulations to address their unique challenges and desired outcomes related to liquor stores in entertainment districts.
- Subdivision and Development Appeal Board decisions for alcohol sales and cannabis retail sales have frequently approved variances to separation

distances, often questioning the supposed land use impact for the separation distance requirements within the Zoning Bylaw.

- Alberta Gaming Liquor and Cannabis regulates the operating practices of liquor stores through a blend of legislation, policy and guidelines.

The review informed the findings of cross-referenced report *CR\_6497 Amendments to Zoning Bylaw 12800 - Major and Minor Alcohol Sales in the Downtown Core - Exceptions to Separation Distance Requirements*. CR\_6497 recommends that a Liquor Store Opportunity Area be created. This area will not require a separation distance between liquor stores, while maintaining the 100 metre separation distance from community recreation services, schools and parks.

### Report

#### **Separation of Major and Minor Alcohol Sales from Additional Sensitive Uses**

Separating existing service providers in these neighbourhoods from liquor stores can be achieved using an area-based approach as reviewed in cross-referenced Urban Form and Corporate Strategic Development report CR\_6497. This report proposes a Liquor Store Opportunity Area boundary. The proposed Liquor Store Opportunity Area is deliberately located away from a cluster of social service agencies. This is different from the current practice of placing separation distance requirements on the social service provider's specific sites. This approach provides:

- certainty for new liquor stores looking to locate within the Liquor Store Opportunity Area; and,
- certainty for new and existing service providers who prefer to remain/locate outside of Liquor Store Opportunity Area.

The aforementioned social service providers are categorized under multiple use classes within the Zoning Bylaw. Explicitly separating them from liquor stores based on their current use classes would have limited effectiveness. A new land use definition for service providers would need to be introduced to Zoning Bylaw 12800. This could significantly limit where the social service providers can locate. Attachment 1 - Separation of Major and Minor Alcohol Sales from Additional Sensitive Uses provides additional information.

#### **Impact of the Concentration of Liquor Stores on Entertainment Districts**

Vancouver and Calgary are the only jurisdictions in Canada that regulate liquor stores differently in entertainment areas. In Vancouver, there is a cap on the total number of liquor stores and bars within the Granville Entertainment District. This restriction is part of a liquor policy the City of Vancouver has for establishments that serve and sell liquor. In Calgary, liquor stores located in high-density downtown districts are exempt from the 300 metre separation distance required between liquor stores elsewhere in

that city. The desired outcome is a higher diversity of liquor retailers in the Calgary downtown area.

Recently, Edmonton eliminated the separation distance for liquor stores in the Arena Entertainment District zone because the Downtown area has reached its capacity for liquor stores under the current approach. Expanding the area where the separation distance does not apply could allow for more diversity of liquor retailers in the downtown area.

Findings indicate that Canadian communities create a regulatory environment that responds to their own unique challenges and the specific outcomes desired. The zoning regulations in Vancouver and Edmonton control the number of stores and liquor-serving establishments in targeted geographic areas. Calgary and Edmonton both want to allow greater competition in the market place in the suburban areas and in the downtown core while limiting the proliferation of stores in specific communities already well served by a high number of liquor stores. Refer to Attachment 2 - Impact of the Concentration of Liquor Stores on Entertainment Districts for additional information

#### **Subdivision and Development Appeal Board Decisions for Liquor Stores**

Since the introduction of the 500 metre separation distance requirement to Zoning Bylaw 12800 in 2007, the Subdivision and Development Appeal Board has made 48 decisions about liquor store development permits. Of these 48 decisions, 18 resulted in overturned refusals, and two resulted in overturned approvals. Factors influencing these decisions included both regulatory changes to Zoning Bylaw 12800 and contextual considerations of the proposed developments. Refer to Attachment 3 - Subdivision and Development Appeal Board Decisions for Liquor Stores for additional information.

#### **Cannabis Retail Sales Approvals, Variances and Subdivision and Development Appeal Board Decisions**

As of December 24, 2018, the City has issued 106 development permits for Cannabis Retail Sales. Of these, 11 development permits were rejected by the City and subsequently approved by the Subdivision and Development Appeal Board. Some of the factors that influenced the successful appeals include:

- The proposed development is not visible from the nearby public library, school, or park.
- The proposed development is separated by physical barriers or the distance between the cannabis retailer and library or school is greater than 200 metres.
- The public lands (parks) do not contain any facilities oriented to children or youth such as playgrounds, sports fields, pools, spray parks, etc.

Refer to Attachment 4 - Cannabis Retail Sales Approvals, Variances, and Subdivision and Development Appeal Board Decisions for additional information on appeals and decisions.

### **Jurisdiction of Alberta Gaming, Liquor and Cannabis for Liquor Stores**

The Alberta Gaming, Liquor and Cannabis Commission oversees and controls the importation, manufacture, sale, possession, distribution and use of liquor in Alberta. As part of this jurisdiction, liquor stores must adhere to federal, provincial and municipal legislation. The legislation allows Alberta Gaming, Liquor and Cannabis Commission to inspect licensed premises to ensure compliance with the Gaming, Liquor and Cannabis Act and the Gaming, Liquor and Cannabis Regulations. Alberta Gaming, Liquor and Cannabis Commission consolidates all legislation, policy, and guidelines for liquor store operators in a Retail Liquor Store Handbook. In the handbook, there are several policies and guidelines related to liquor store operations and facility requirements that ensure a safe environment for liquor store staff and patrons. Some of the guidelines resemble those included in the special land use provisions for liquor stores in Zoning Bylaw 12800.

Refer to Attachment 5 - Jurisdiction of Alberta Gaming, Liquor and Cannabis for Liquor Stores for additional information.

### **Corporate Outcomes and Performance Management**

<b>Corporate Outcome(s): Edmonton is a safe city</b>			
<b>Outcome(s)</b>	<b>Measure(s)</b>	<b>Result(s)</b>	<b>Target(s)</b>
Regulations and services enhance public safety and design	Edmontonians' Assessment: Well-designed Attractive City (% of survey respondents who agree/strongly agree)	53% (2016)	55% (2018)

### **Attachments**

1. Separation of Major and Minor Alcohol Sales from Sensitive Uses
2. Impact of the Concentration of Liquor Stores on Entertainment Districts
3. Subdivision and Development Appeal Board Decision for Liquor Stores
4. Cannabis Retail Sales Approvals, Variances and Subdivision and Development Appeal Board Decisions
5. Jurisdiction of Alberta Gaming, Liquor and Cannabis for Liquor Stores

**Others Reviewing this Report**

- T. Burge, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services
- C. Owen, Deputy City Manager, Communications and Engagement
- R. Smyth, Deputy City Manager, Citizen Services