

Amendments to Zoning Bylaw 12800 - Major and Minor Alcohol Sales in the Downtown Core - Exemptions to Separation Distance Requirements

Recommendation

That Administration prepare amendments to Zoning Bylaw 12800, as generally outlined in Attachment 2 and 3 of the March 5, 2019, Urban Form and Corporate Strategic Development report CR_6497, and return to a future City Council Public Hearing.

Previous Council/Committee Action

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

That Administration prepare zoning bylaw amendments to:

1. Reduce or eliminate the separation distance for Major and Minor Alcohol Sales in the downtown core, and include information about the implications of creating flexibility in high density residential and employment areas for alcohol sales; and
2. Draft regulations to improve the design and safety of Major and Minor Alcohol Sales across the municipality.

Executive Summary

On October 2, 2018, Urban Planning Committee directed Administration to prepare draft amendments to provide more opportunities for liquor stores in the downtown area, and updated design regulations to improve the safety and appearance of new liquor stores citywide.

To address the motion, Administration is proposing a Liquor Store Opportunity Area centred on the Downtown and Oliver that extends to a portion a portion of 124 Street. Within the proposed boundary, liquor stores could locate on any site zoned for commercial uses, but would still be required to locate 100 metres from parks, schools, and community recreation services.

Providing additional opportunities for liquor stores in high density employment, tourist and residential areas will reduce barriers for liquor stores within these areas and can promote more pedestrian activity that supports a safe urban environment and walkability. Within the Downtown and Oliver areas there are a high number of residents, tourists and business persons that are walking to and from destinations, unlike suburban areas where trips to a liquor store are completed by automobile. For context, the populations of interest include:

- 12,768 residents in the Downtown
- 18,123 residents in Oliver
- 30,891 residents in both Downtown and Oliver
- over 2,900 hotel rooms in the Downtown

Changes to allow more opportunities for liquor stores in the Downtown and Oliver support a walkable urban retail setting. Purchases in walkable areas are often smaller and occur more frequently due to the practicalities of carrying purchases by hand, or in a shopping bag, purse, or knapsack. A higher density of retailers is logical within this urban context as heavy items such as beer, wine and spirits become awkward to transport by hand when distances extend across multiple blocks or beyond 500 metres.

To enhance the appearance and safety of liquor stores, Administration proposes design regulations to promote safety for pedestrians and patrons. Requirements will ensure: safe customer access locations that can be easily viewed from public streets and adjacent parking lots; unobstructed sight lines into and out of liquor stores; and a well lit outdoor environment for pedestrians.

Report

Background

Currently, Zoning Bylaw 12800 requires a 500 metre separation distance between liquor stores in the downtown and mature areas. Under this restriction, there is no capacity for new liquor stores to locate in the Downtown and Oliver commercial zones.

On October 2, 2018, Administration presented report CR_5604 - Options for Managing Impacts of Major and Minor Alcohol Sales. This report provided zoning and non-zoning options to manage the impacts associated with liquor stores and options to reduce separation distances between liquor stores.

This report and the Committee discussions led to two subsequent motions, including direction for Administration to prepare draft amendments to Zoning Bylaw 12800 to reduce or eliminate the 500 metre separation distance requirement in the downtown core and to draft regulations to improve the design and safety of liquor stores.

Downtown Liquor Store Capacity Constraint

Downtown and Oliver are two of the highest density residential, employment, and tourist areas in Edmonton. Both neighbourhoods support over 30,000 residents, and provide over 2,900 hotel rooms to tourists visiting the city. This increased density and economic activity supports higher demand for a range of retail services including liquor stores. An assessment of the opportunities for additional liquor stores in the Downtown and Oliver indicates that there is no capacity for additional retailers in the area due to the restrictions imposed by the current 500 metre separation distance requirement. This restriction and capacity constraint is shown on Attachment 1 - Downtown Liquor Store Capacity Map.

Downtown Liquor Store Opportunity Area

To respond to the motion and provide greater opportunity and certainty for liquor stores in the downtown core, Administration is proposing a Liquor Store Opportunity Area centred on the Downtown and Oliver areas. Within this area, Administration proposes to eliminate the 500 metre separation distance requirement between liquor stores and maintain the current 100 metre separation from parks, schools, and community recreations services.

The proposal to eliminate the 500 metre separation distance within this area is based on stakeholder feedback received as part of an Insight Survey conducted for CR_5604. In the survey, Administration asked participants if the separation distance requirements between liquor stores should change or remain the same. Of the participants that indicated support for change, there was a greater level of support for the option to provide exemptions for major shopping and tourist areas, with higher levels of support for the Downtown, Old Strathcona, and West Edmonton Mall. This option was followed by slightly less support to match the separation distances required between cannabis retail stores, which is 200 metres. For more information on the results of this survey, please refer to Attachment 4 - Insight Survey Results July 2018.

Administration is currently gathering input on the specific boundary of the Liquor Store Opportunity area using the Insight Survey tool. Results of this survey indicated...*to be updated once the survey results are available. Results of this survey will be added to Attachment 4.*

To inform the specific boundary of the Liquor Store Opportunity Area, Administration considered the following factors:

- high density residential and employment areas, and hotel locations;
- pedestrian and transit oriented areas including commercial main streets and tourist destinations;
- the locations of existing social support services, agencies and facilities; and
- the location of hospitality and entertainment venues.

Taking these factors into consideration, the boundary proposed extends roughly from 104 Avenue NW to Jasper Avenue, and from 124 Street NW to 97 Street NW. The boundary also extends north along on 124 Street NW to 107 Avenue NW, and south along 109 Street NW to 99 Avenue NW. A map of the proposed boundary is included in Attachment 2 - Proposed Liquor Store Opportunity Area.

In consideration of locations of existing social support services, stakeholder engagement identified a desire to limit proliferation of liquor stores near service providers who work with homeless individuals suffering from addictions. Administration proposes to use the Liquor Store Opportunity Area boundary to achieve this outcome. As such, the closest service provider (Boyle Street Community Services, located north of 105 Avenue NW and west of 101 Street NW) will be approximately 180 metres from the proposed Liquor Store Opportunity Area boundary. This approach simplifies the exemption regulations and provide greater certainty to existing service providers and new liquor stores looking to locate downtown. If a service provider moves into the Opportunity Area in the future this would be done at their discretion, and would not render approved liquor stores legal non-conforming.

Flexibility for Liquor stores in High Density Residential and Employment Areas

The implications of providing flexibility for liquor stores in high density and employment areas will allow for greater diversity in the market for these areas. This will provide more choices for consumers, and for liquor stores to meet consumer demands. High density and employment areas also generate a higher demand for goods and services with more people working, living, and visiting the area, as compared to less densely populated areas.

Reducing barriers for businesses supports higher policy objectives such as *The Way We Prosper*, as well as the Development Services Strategic Plan 2016 - 2018, which are identified in the tables below:

The Way We Prosper	
Goal 3	<p>Edmonton - an unrivalled, competitive business climate.</p> <ul style="list-style-type: none"> • It must improve the speed, predictability and consistency of processes that support business development and ensure that businesses and investors alike are met with a level of customer service that sets the City apart from its competition. • The City of Edmonton must support the growth of the local economy by removing barriers to innovation, efficiency and investment by businesses

	and entrepreneurs if it is to provide an effective business climate.
Strategic Objective 3.1	A City committed to business.
Strategic Objective 3.2	The priority needs of business and industry are effectively supported.

Providing flexibility for liquor stores in high density and employment areas also allows businesses to locate closer to their consumers. Reducing travel distances promotes pedestrian activity and walkability, contributing to the livability of an area. Pedestrian activity also encourages natural surveillance (eyes on the street) for a safe urban environment.

More flexibility to allow liquor stores in high density and employment areas will allow existing liquor stores to relocate more easily and create more movement in the market. Currently, existing liquor stores located in dense areas have an advantage of being buffered from competition, and therefore have no incentive to relocate. The 500 metre separation distance, however, also puts existing liquor stores looking to relocate at a disadvantage in not being able to relocate easily or be able to negotiate fair leasing terms when landlords or property management companies can capitalize on the restrictive requirements and own the development permit rights for the liquor store.

Design Regulations to Enhance Safety

Currently Zoning Bylaw 12800 includes Crime Prevention Through Environmental Design regulations for liquor stores; however, some of these regulations are outdated and unclear, creating uncertainty in determining the desired outcomes to be achieved. To promote natural surveillance for a safe urban environment, Administration proposes changes to the design regulations with a focus on enhancing safety for pedestrians entering and exiting liquor stores, as well as ensuring sufficient transparency requirements to allow for unobstructed sight lines into and outside of a liquor store.

The proposed changes were developed in consultation with Development Officers and Development Compliance Enforcement Officers to ensure the requirements could be implemented and enforced. The changes were also reviewed against recent development permit approvals of liquor stores to ensure that the requirements were not overly restrictive and are in line with modern design approaches. The changes provide metrics to previously unclear transparency requirements, and allow the Development Officer to require a lighting plan to verify pedestrian environments will have adequate lighting. This will also be a helpful resource for enforcement when requirements are not met. Consideration of pedestrian focused design regulations, such as those within the Main Streets Overlay also informed the proposed

requirements. For more information on the proposed changes, please refer to Attachment 3 - Proposed Changes and Design Regulations for Liquor Stores.

Conclusion

Administration recommends amendments to Zoning Bylaw 12800 to increase opportunities for liquor stores in the Downtown and Oliver areas by eliminating the 500 metre separation distance within the Liquor Store Opportunity Area boundary as indicated in Attachment 2, and strengthening design regulations for new liquor stores throughout Edmonton, as proposed in Attachment 3. Taken together, the proposed changes will create diversity in the liquor market within the opportunity area, and will support a safe urban environment for pedestrians and patrons for new liquor stores.

Public Engagement

To gather feedback on the Liquor Store Opportunity Area boundary, Administration conducted a survey on the proposed boundary through both the November Insight Community mixed topic survey, and an open link survey for the general public, which ran from November 15th to December 21, 2018. *Summary of results and feedback to be added once survey is complete.*

Administration was available to speak to stakeholders and the public at the downtown Engage Edmonton event on November 15, 2018. Feedback was collected on the proposed boundary, as well as high level design approaches to improve the safety of liquor stores. The comments received through this feedback was mixed. In relation to the proposed boundary, some individuals felt that the current rules were sufficient and did not need to change, and that there were a sufficient number of liquor stores already in the area. Others supported reducing barriers for liquor stores in the downtown core, although were concerned about singling out liquor stores and regulating design. Conversations about the design of liquor stores focused primarily on:

- Improving the appearance by making liquor stores look more inviting.
- Improving pedestrian access and reducing travel distances from parking lots, especially from parking lots located at the rear of a building.
- Consideration of window transparencies in relation to indoor fixtures, such as product displays and shelves. Some felt that windows should not be obstructed, while others did not want to see regulations that would dictate the interior layout of a store. Some felt that having 30% of the entire facade be dedicated to windows would be too much.

Administration circulated a draft version of this report for review and feedback on November 22, 2018, for a 4 week period, to the following stakeholders:

- Edmonton Federation of Community Leagues
- Downtown Community League

- Oliver Community League
- Boyle Street Community League
- Central McDougall Community League
- McCauley Community League
- Westmount Community League
- Downtown Business Improvement Area Association
- North Edge Business Improvement Area Association
- Chinatown Business Improvement Area Association
- 124 Street Business Improvement Area Association
- Three local community service/shelter providers
- Liquor store industry stakeholders
- Alberta Liquor Store Association
- Alberta Gaming and Liquor Commission
- Alberta Health Services
- Edmonton Police Service
- Urban Development Institute
- National Association for Industrial and Office Parks (NAIOP) Commercial Real Estate Development Association
- Edmonton School Boards

Summary of feedback to be completed after the report circulation.

Corporate Outcomes and Performance Management

Corporate Outcome(s): Edmonton is a safe city			
Outcome(s)	Measure(s)	Result(s)	Target(s)
Regulations and services enhance public safety and wellness	Edmontonians' Assessment: Well-designed Attractive City (% of survey respondents who agree/strongly agree)	53% (2016)	55% (2018)
Corporate Outcome(s): Edmonton has a globally competitive and entrepreneurial business climate			

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Effective and efficient service delivery: City of Edmonton Services do not increase barriers to economic growth	Number of development permit applications for alcohol sales refused by the City that are approved by the Subdivision and Development Appeal Board	5 of 6 (2017)	2019 : Reduce to zero in the Liquor Store Opportunity Area (Elimination of separation distance requirement will reduce refusals appealed to Subdivision and Development Appeal Board)
Business friendly services and regulations support a strong economy	Number of licences for liquor stores - Alcohol Sales [Consumption Off-Premises]	2018: 249	n/a
City of Edmonton services, regulations, and land use plans are business-friendly and support a strong economy	Completion of proposed amendments	n/a	2019

Risk Assessment

Risk Element	Risk Description	Likelihood	Impact	Risk Score (with current mitigations)	Current Mitigations	Potential Future Mitigations
Customers/ Citizens	Current process of obtaining development permits for businesses is challenging and leads to poor customer service	3 - possible	2 - moderate	6 - low	Proposed to amend requirements in Zoning Bylaw 12800 help reduce barriers for liquor stores	Further refinement of Zoning Bylaw 12800 to adjust regulatory requirements
Public perception	Increased number of liquor stores may impact neighbourhoods, businesses and vulnerable populations	3 - possible	2 - moderate	6 - low	Engaging Edmontonians to understand values and priorities around regulating liquor stores in Edmonton	Public consultation and further refinement of Zoning Bylaw 12800 to adjust regulatory requirements

Attachments

1. Downtown Liquor Store Capacity Map
2. Proposed Liquor Store Opportunity Area
3. Proposed Changes and Design Regulations for Liquor Stores
4. Insight Survey Results July 2018 and December 2018 will be added upon completion of survey

Others Reviewing this Report

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

DRAFT

Proposed Changes and Design Regulations for Liquor Stores

The following is a mark-up of the proposed design regulations for liquor stores with a focus on enhancing pedestrian safety and passive surveillance. The changes also propose plain language by replacing Major Alcohol Sales and Minor Alcohol Sales with Major Liquor Stores and Minor Liquor Stores.

Mark-up of Proposed Text Amendment to Zoning Bylaw 12800 Black Font Existing Text in Zoning Bylaw 12800 <u>Strikethrough:</u> Proposed deletion from Zoning Bylaw 12800 <u>Underline:</u> Proposed addition to Zoning Bylaw 12800	Rationale / Notes
3.2 Provisions for existing Development Permits and Direct Control Provisions 1. For the purpose of any Development Permit or Direct Control Provisions: <u>k. Major Alcohol Sales is deemed to be Major Liquor Stores.</u> <u>l. Minor Alcohol Sales is deemed to be Minor Liquor Stores.</u>	For readability and plain language, the changes propose replacing Major Alcohol Sales and Minor Alcohol Sales to Major Liquor Stores and Minor Liquor Stores.
7.4(30) Major <u>Liquor Stores</u> Alcohol Sales, means development used for the retail sales of any and all types of alcoholic beverages to the public where the Floor Area for the individual business premises is greater than 275 m ² . This Use may include retail sales of related products such as soft drinks and snack foods. 7.4(34) Minor <u>Liquor Stores</u> Alcohol Sales, means development used for the retail sale of any and all types of alcoholic beverages to the public. This Use may include retail sales of related products such as soft drinks and snack foods. The	All references to Major Alcohol Sales and Minor Alcohol Sales would be updated in the Bylaw.

<p>maximum Floor Area for this Use shall be no more than 275 m² per individual business premises.</p>	
<p>12. The Development Officer shall consider Crime Prevention Through Environmental Design criteria by ensuring:</p> <ul style="list-style-type: none"> a. the exterior of all stores have ample transparency from the street to allow natural surveillance; b. exterior lighting should be in accordance with the minimum safety standards prescribed by the Illuminating Engineers Society of North America; c. Landscaping be low growing shrubs or deciduous trees with a high canopy at maturity and that all foliage be kept trimmed back to prevent loss of natural surveillance; d. no customer parking is located behind a building and that all Parking Areas in front of the building be well-lit; and e. customer access to the store is limited to a store front that is visible from the street, other than a Lane, shopping centre parking lot or a mall access that allows visibility from the interior. 	<p>The proposed design regulations change would replace Section 85(12) entirely.</p>
<p><u>12. Major Liquor Stores and Minor Liquor Stores shall include the following to allow for natural surveillance to promote safe surroundings:</u></p> <ul style="list-style-type: none"> <u>a. Customer access is limited to:</u> <ul style="list-style-type: none"> <u>i. a store front visible from a public roadway, other than a Lane;</u> 	<p>85(12) - reference to Crime Prevention Through Environmental Design (CPTED) is removed, as the proposed design regulations focus on outcomes of CPTED principles. Where necessary, the Development Office still can require a CPTED assessment through Section 58 of the Bylaw.</p> <p>85(12)(a) - for patron and pedestrian safety, customer access must be located in an area visible from a public street other than a Lane, or in the case of shopping centre</p>

<ul style="list-style-type: none"> ii. <u>a shopping centre parking lot directly in front of store; or</u> iii. <u>a mall access that allows visibility from the interior of the mall into the store.</u> b. <u>Premises located at ground level shall include:</u> <ul style="list-style-type: none"> i. <u>Ample transparency to maintain sight lines into and out of the premises:</u> <ul style="list-style-type: none"> 1. <u>A minimum window surface area on at least 50% of the exterior of the Facade facing a parking lot directly in front of the store, or facing a public roadway, other than a Lane. Proportion of the window area is calculated as a percent of linear meters between 1.0 and 2.5 m above ground level.</u> 2. <u>Not more than 10% of the windows may be covered by Signs, the remainder shall be clear and untinted, and be free from obstruction.</u> ii. <u>Outdoor lighting to provide a well-lit environment for pedestrians entering and exiting the premises and illumination of the property. The Development Officer shall require the applicant to provide a plan showing the location and details of the perimeter lighting to ensure adequate lighting.</u> iii. <u>Landscaping shall be located such that it does not obstruct sight lines into the premises.</u> 	<p>sites, customer access must be accessible from a parking lot directly in front of the store.</p> <p>85(12)(b)(i) - to ensure sight lines into and out of a liquor store are maintained, a percentage of the exterior facade must include windows. The proportion of this area considers a height that would facilitate sightlines between a vertical height of 1 m and 2.5 metres. Further ensuring sight lines are unobstructed, a maximum of 10% of the windows may be covered in signs, and the remainder must be clear, untinted and free from obstruction. This would also mean that interior furnishings such as product displays and shelves cannot be placed against the windows. This would be added as a condition of the Development Permit to facilitate effective enforcement of this requirement.</p> <p>85(12)(b)(ii) - to ensure pedestrian areas are well lit, this requirement allows the development officer to require a lighting plan to ensure adequate lighting is provided. This will also allow the development officer to ensure light is not directed at any adjoining properties in accordance with Section 51. The lighting plan requirement will also facilitate effective enforcement of this requirement and will serve as a reference to ensure compliance with an approved development permit.</p> <p>85(12)(b)(iii) -this requirement allows the development officer flexibility in considering other factors related to landscaping that may obstruct sight lines into and out of a liquor store, rather than requiring high canopy trees and low growing shrubs.</p>
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