

Report to the Future Melbourne (Planning) Committee

Agenda item 6.3

**Liquor Enquiry LIQENQ-2016-45
Mail Exchange Hotel, 688 Bourke Street, Melbourne**

3 May 2016

Presenter: Jane Birmingham, Practice Leader Statutory Planning

Purpose and background

1. The purpose of this report is to advise the Future Melbourne Committee of a request by the Mail Exchange Hotel for a letter of support from the Melbourne City Council (MCC) for an increase in trading hours allowed under an existing General Liquor Licence for the Mail Exchange Hotel.
2. On 20 July 2015, new decision making guidelines were issued in the Victorian Government Gazette No S 204 for the assessment of applications for permanent and temporary liquor licences, for premises that are affected by the freeze, with trading past 1am.
3. One of the new decision making guidelines requires that the applicant must satisfy the Victorian Commission for Gambling and Liquor Regulation (VCGLR) that 'the application is supported by the council of the municipality in which the premises is, or will be, located.' It is expected that the support of the municipal council be provided in writing and form part of the documentation lodged with VCGLR by the applicant for liquor licence. If the municipal council does not support an application, then the application will not be granted by VCGLR.
4. The applicant seeks to amend the existing General Licence to allow the sale and consumption of liquor for an additional two hours (until 3am) to various parts of the venue. The proposed extension of the licence would be consistent with the hours allowed under Planning Permit TP-2008-834/D. Food would be available at all times the venue is open and, in accordance with TP-2008-834/D, a maximum of only 200 patrons allowed between the hours of 1am and 3am.

Key issues

5. The key issue is whether the extended trading hours requested will have a detrimental impact on the amenity of the surrounding area.
6. Within close proximity there are a number of residential uses including the Neo apartments at 182-200 Spencer Street, Stadium Apartments at 635-639 Little Bourke Street and City Point on Bourke apartments at 654-670 Bourke Street.
7. It is considered that support for the exemption will not set an undesirable precedent given that the venue was always intended to operate until 3am under the applicable planning permit. The venue provides activity in an area of the city that is relatively quiet but very well serviced by public transport. The two hour extension to the licence is considered to be a positive outcome given that it is in a controlled environment with onerous conditions on the existing permit as well as the responsible track record of the management and operator. The diversity of the activities offered, strong food focus as well as the reduced patron numbers after 1am are all important factors in supporting this application.

Recommendation from management

8. That the Future Melbourne Committee resolves that a letter be sent to the Mail Exchange Hotel advising that the Melbourne City Council supports the application for a variation of the existing liquor licence for the Mail Exchange Hotel to allow increased trading hours to 3am in line with Planning Permit TP-2008-834/D.

Attachments:

1. Supporting Attachment (Page 2 of 6)
2. Locality Plan (Page 3 of 6)
3. Delegate Report (Page 4 of 6)

Supporting Attachment

Legal

1. The VCGLR is responsible for determining the application.

Finance

2. There are no direct financial issues arising from the recommendations contained within this report.

Conflict of interest

3. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a direct or indirect interest in relation to the matter of the report.

Stakeholder consultation

4. Council officers have not advertised the application. This is the responsibility of VCGLR.

Relation to Council policy

5. The proposed operating hours are inconsistent with Council's Licensed Premises Policy at Clause 22.22 of the Melbourne Planning Scheme however the proposal is consistent with the applicable planning permit TP-2008-834/D as well as the policy basis of Clause 22.22.

Environmental sustainability

6. Environmental sustainability issues or opportunities are not considered relevant to this proposal.

Locality Plan

Mail Exchange Hotel, 688 Bourke Street, Melbourne



LIQUOR LICENCE SUPPORT REPORT

Application number	LIQENQ-2016-45
Applicant:	Mail Exchange Hotel
Address:	672-696 Bourke Street, Melbourne
Proposal:	Request for exemption to the 1am licence freeze to operate to 3am
Date of lodgement:	16 March 2016
Responsible officer:	Julian Larkins

1. PROPOSAL

A letter of support is being sought from the City of Melbourne to vary the existing liquor licence to allow the supply and consumption of liquor after 1.00am, as follows:

Brasserie, lounge areas, Gaming Room, Gaming Lounge, outdoor smoking areas fronting Spencer Street and outdoor smoking area adjacent the gaming area:

	Existing	Proposed
Good Friday and Anzac Day	Between 12 noon and 1am	Between 12 noon and 3am
On any other day	Between 7am and 1am	Between 7am and 3am

NB. No alcohol is to be consumed in any part of the north outdoor smoking area and covered outdoor smoking areas adjacent to the brasserie beyond 11pm.

There is to be no changes to the packaged liquor trade which remains until 6pm.

The patron numbers beyond 1am must be no more than 200 patrons.

The applicant has requested an extension to the hours as they believe that their venue fits within the parameters of the new Ministerial guidelines.

2. BACKGROUND

On 7 June 2015, the State Government announced that the freeze on granting new liquor licences for venues trading past 1am in the Cities of Melbourne (including Docklands), Stonnington, Yarra and Port Phillip would be extended until 30 June 2019. The freeze affects applications for new, relocated and variations to Major Event, General, On-premises, Packaged Liquor, Limited, Late Night and BYO Permit licence types. On 20 July 2015, new decision making guidelines were issued in the Victorian Government Gazette No S 204 for the assessment of applications for permanent and temporary liquor licences, for premises that are affected by the freeze, to trade past 1 am.

One of the new decision making guidelines is that the applicant must satisfy the Victorian Commission for Gambling and Liquor Regulation (VCGLR) that 'the application is supported by the council of the municipality in which the premises is, or will be, located.'

It is expected that the support of the municipal council be provided in writing and form part of the documentation lodged with VCGLR by the applicant for liquor licence. If the municipal council does not support an application, then the application will not be granted by VCGLR.

3. PLANNING REQUIREMENTS

Planning Permit issued

Planning Permit TP-2008-834/D has been issued allowing the use of the land as a Hotel until 3am in the Brasserie Lounge, Gaming Lounge and Gaming areas along with the outdoor smoking area adjacent to the Gaming area. The Brasserie and all other areas operate no later than 1am with only 200 patrons maximum allowed after 1am.

4. INTERNAL REFERRALS AND CITY LICENSING APPROVALS FORUM (CLAF)

City Issues

The proposal did not require referral to any internal Council departments or CLAF. It is noted that the City Issues Department was contacted verbally to discuss the application on 14 April 2016. No issues were raised with the application and City Issues noted that the operator has been a member of the Melbourne Licensees Forum for around 20 years and the General Manager is a sitting member of the steering committee. City Issues confirmed they had no concerns regarding the venue and acknowledged the current operator has a good track record of running venues responsibly.

5. ASSESSMENT

Council's Licensed Premises Policy at Clause 22.22 of Melbourne Planning Scheme provides guidance for new licensed premises and where existing licensed premises change their operation to ensure that they would not detract from, or be detrimental to, the amenity of the area.

The objectives of the policy are:

- To identify appropriate locations and trading hours for licensed premises.
- To manage the operation of licensed premises to minimise adverse impacts on the amenity of the area and maintain the positive character, image and function of the city.
- To ensure that the cumulative impacts of licensed premises are assessed where venues are clustered in the one location.

The policy recognises that well managed licensed premises contribute to the activity, appearance, character and image of the area.

There are a number of residential properties within close proximity of the site including the Neo apartments at 182-200 Spencer Street, Stadium Apartments at 635-639 Little Bourke Street and City Point on Bourke apartments at 654-670 Bourke Street.

There is no record of any complaints being received in the last five years since the new owner took over the business. Specifically in relation to patron noise and music, the sensitivity of this area in relation to the nearby residents is reflected in the conditions of permit which limit trade to the north outdoor smoking area and covered smoking areas adjacent the brasserie beyond 11pm. The outdoor area adjacent the gaming room is a much more enclosed and smaller space with less chance of noise escape and as such was allowed to operate until 3am under the permit. In addition, conditions of the permit also require there to be no audio equipment installed outside the building and specify that there to be no noise from within the premises that is audible from habitable rooms, with windows closed, of any nearby dwellings. There is an endorsed a Venue Management Plan and Acoustic Report, but in the event any complaints are received, a condition of the permit also allows Council to require another acoustic report.

For these reasons, it is considered from a planning perspective that the question of the venue operating until 3am has already been considered and addressed by the planning permit. The venue is considered a controlled environment with a good track record in regard to the management of potential amenity impacts such as noise and patron behaviour. Importantly, the venue offers a range of different activities with a strong food focus, which distinguishes it from other venues that are solely around gaming and/or drinking.

Furthermore, if the licence is to be granted food will be on offer right through to close. This is considered to be very encouraging as it reduces the potential for large groups of vertical drinkers and again encourages responsible drinking and behaviour. The large size of the venue allows a dispersed and diverse patron mix with a range of different spaces and activities on offer across the large floor layout.

Support for the exemption will not set an undesirable precedent given that the venue was always intended to operate until 3am under the applicable planning permit. The venue provides activity to an area of the city that is reasonably quiet but very well serviced by public transport. The two hour extension to the licence is considered to be a positive outcome given that it is in a controlled environment with onerous conditions on the existing permit as well as the responsible track record of the management and operator. The diversity of the activities offered, strong food focus as well as the reduced patron numbers after 1am are all important factors in supporting this application.

6. CONCLUSION

It is considered that the application is consistent with the existing Planning Permit and the policy basis of the Local Policy (Clause 22.22 Policy for Licensed Premises that Require a Planning Permit) which encourages "24 hour" precinct where a range of activities including licences premises are supported. Moreover, the policy basis states that 'Well managed licensed premises contribute positively to the activity, appearance, character, and image of the area.'

7. RECOMMENDATION

That the Future Melbourne Committee resolve that a letter be sent to the applicant advising that the Melbourne City Council supports the application for a variation of the existing liquor licence to allow increased trading hours that are consistent with Planning Permit TP-2008-834/D.

Julian Larkins

Senior Planning Officer

14 April 2016