

# CITY OF KELOWNA

## **MEMORANDUM**

**DATE:** April 5, 2005  
**File No.** 4322-20

**TO:** City Manager

**FROM:** Events and Facilities Supervisor

**SUBJECT:** Liquor Primary Stadium Licence for Kinsmen Softball Complex

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### **RECOMMENDATION:**

That Council approve the application for a Liquor Primary Stadium Licence for the Kinsmen Softball Complex at Mission Recreation Park.

AND THAT the City contract the Kelowna Adult Softball Association to operate the licence under a third party agreement with the City.

### **BACKGROUND:**

The Kinsmen Softball Complex is the premier softball facility in the City of Kelowna. This facility operates from mid April until the end of October and is host to a number of slo-pitch leagues that run Monday to Friday, 6 pm to 11 pm as well as weekend tournaments. The facility is also active during the day for senior slo-pitch leagues. Tournaments are held almost every weekend of the playing season, they generally run from Friday evening and Saturday till 11 pm and Sunday till 5 pm.

Currently, the only time alcohol is served on site is during tournaments. The tournament organizer is required to apply for a Special Occasions License (SOL) and implement all of the Provincial and Municipal requirements for the service of alcohol.

The City currently owns Liquor – Primary Licenses at three other stadiums including the Apple Bowl, Elks Stadium and Kings Stadium. These licenses are managed by the primary tenants at these locations and provide benefits back to the City as well as the host organization. Through this program the City receives 10% of gross profit that is placed into a facility reserve account with the remaining profit staying with the contracted organization to support their ongoing expenses.

### **DISCUSSION:**

The City has been approached by the Kelowna Adult Softball Association (KASA) about establishing a Liquor Primary License at the Kinsmen Softball Complex. KASA was established in the early 1990s to represent the interests of adult softball players in Kelowna. One of their primary mandates is to work with the City regarding facility development and improvement. KASA has held official society status since 1995. They represent the Umpires Association and a number of softball leagues that play at various venues throughout the City.

In total KASA represents over 4500 players. KASA has had representation on the Sportsfield Advisory Committee since its inception in 1993. They have partnered with the City on numerous occasions for facility improvement projects.

#### Problems with Current Situation

The Kinsmen Softball Complex hosts approximately 18 tournaments per year. It is booked close to maximum capacity during the week for adult league play.

All the tournaments at this venue are operated by volunteers. Each tournament that operates the beer garden does so as a separate operation. Security and control of alcohol consumption is often less than ideal due to lack of resources and/or inadequate planning. Many tournaments use volunteers as "serving" staff and "security" personnel.

Each organizer must repeat the whole process for creating a beer garden. They need to rent tables and chairs, purchase supplies, get ice, and recruit volunteers. Costs and documentation requirements for SOL's are substantial. For example; the current process to acquire a Special Occasion License is as follows:

1. Get City representative to sign the City's Application for SOL. City charges all events with liquor a \$50.00 + GST Outdoor Event Application Fee.
2. Take signed application, rental contract, site plan and security plan to RCMP. Acquire an approved copy of the Provincial Application for SOL from RCMP. This process can take up to 30 days to complete.
3. Take all the above documentation to a Provincial Liquor Store. At this time organizer is required to pay the license fee which is \$25 (private) or \$100 (public) per day for the event. Also required at the time of product purchase is payment of the Social Services Tax of 8.5% which is based on the total estimated revenue. Note: Person applying for SOL must have a Serving It Right Certificate and must be present in beer garden at all times during event. SOL policies set the prices to be charged for alcohol. Organizers are required to apply to the provincial Liquor Licensing Branch for an exemption if they wish to charge higher prices.
4. The organizer is also required to supply host liability insurance for the serving of alcohol which is approximately \$350 per event.

### Benefits of Proposed System

A permanent licensed facility with an approved operator will provide better customer service and better control over alcohol consumption. This process will ensure that permanent host liability insurance will be in place. It will create more accountability and improve the overall operation of the beer garden as all required resources will be on site and managed effectively. As well, tournament organizers will not be required to organize or do any additional work to set up the beer garden.

A key component to the proposal is KASA's commitment to direct 100% of the net proceeds of the liquor license operation to the development of new softball facilities in the Mission Recreation Park. This process will create a revenue stream for future development and ongoing facility improvement.

### How Liquor Primary Stadium License will operate:

The City has completed the required Liquor-Primary License Application Form. Part of the required documentation is a resolution from City Council supporting the application.

Key points of the application and proposed operation include:

- We propose to contract Kelowna Adult Softball Association (KASA) to operate this license on our behalf. KASA currently operates the food concession on site. KASA has committed to directing all net profits from the liquor license operation back into new facility development and existing facilities upgrades
- The proposed licensed area will encompass the non-playing area between the playing surfaces and the existing structures known as the Media Centre and the beer garden cover.
- The licensed area will include the Media Centre second floor, including the balcony, the concession and the area between the diamonds extending in and around the Media Centre and as far as the control gates.
- The licensed area will be open to minors as allowed by Section 10.1.3 of the Liquor Licensing Policy Manual.
- The licensed area being applied for is designed to support the existing activity at the Kinsmen Softball Complex.
- During the week, alcohol will be served from the existing concession on site. Tournaments would see a second serving station established under the existing beer garden cover.

Staff have had discussions with all of the current tournament organizers regarding this proposal. The response has been generally very positive, and revenue sharing discussions are continuing.

This proposal will result in a more effective operation, more accountability and more control over alcohol consumption. It will make it easier on the event organizers. It will result in better customer service for the participants. It will create a potentially significant revenue stream for the City to dedicate towards facility development and upgrades.

This proposal is endorsed by the RCMP and the Outdoor Events Committee.

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Don Backmeyer  
Events and Facilities Supervisor

Cc: Director Parks and Leisure Services  
Recreation Services Manager  
Sports and Facilities Manager