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**CITY OF KELOWNA  
MEMORANDUM**

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**Date:** July 17, 2009  
**To:** City Manager  
**From:** Community Sustainability Division  
**APPLICATION NO.** LL09-0003      **APPLICANT:** Kelowna Visual & Performing Arts  
Centre Society (Tracie Ward)  
**AT:** 1315 Water Street      **OWNERS:** City of Kelowna  
(Rotary Centre for the Arts)  
**PURPOSE:** TO RECEIVE COUNCIL SUPPORT FOR THE PROPOSED  
LIQUOR PRIMARY LICENSE  
**EXISTING ZONE:** C7 – Central Business Commercial  
**PROPOSED ZONE:** C7LP – Central Business Commercial (with Liquor Primary)  
**REPORT PREPARED BY:** Luke Turri

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**1.0 RECOMMENDATION**

In accordance with Section 53 of the *Liquor Control and Licensing Regulation* and Council Policy 315 be it resolved THAT:

1. Council recommends the issuance of the liquor primary license applied for from the City of Kelowna to obtain a liquor primary license for the establishment located at 1315 Water Street, Kelowna, BC (Rotary Centre for the Arts), and legally described as Lot A, District Lot 139, ODYD, Plan KAP67454, for the following reasons: the proposed license would simplify and enhance operations of the venue, allow for more consistently controlled beverage service, and there are little (if any) negative impacts anticipated.
2. The Council's comments on the prescribed considerations are as follows:
  - (a) *The location of the establishment* is within the downtown cultural district and is well-suited for liquor establishment and entertainment facilities, however, there is a concentration of existing facilities in the area.
  - (b) *The proximity of the establishment to other social or recreational facilities and public buildings* is not a concern given the established nature of the venue.
  - (c) *The person capacity and hours of liquor service of the establishment* would not be a departure from the numerous special occasion licenses that have been granted for the venue in the past and is not a concern.
  - (d) *The number and market focus or clientele of liquor-primary licence establishments within a reasonable distance of the proposed location:* includes a pub, cabaret, casino, hotel/convention centre and stadium, representing a broad variety of market focuses.

(e) *Traffic, noise, parking and zoning*: would be largely unchanged if the license is granted, however, the current zoning would need to be amended to include a "LP" designation prior to the issuance of the license.

(f) *Population, population density and population trends*: The residential population in Kelowna's Downtown area continues to grow, particularly surrounding the Cultural District. This trend is expected to continue as the City of Kelowna pursues policies which support mixed-use development and densification in urban centres.

(g) *Relevant socio-economic information*: the surrounding area comprises an important tourist, social and cultural hub for the City of Kelowna (the Cultural District). Contravention rates for surrounding establishments are very low.

(h) *The impact on the community if the application is approved* is considered to be positive, in that the current cultural/social venue will be enhanced.

3. The Council's comments on the views of residents (if applicable) are as contained within the minutes of the meeting at which the application was considered by Council. The methods used to gather views of residents are as contained within Council Policy #315 "Liquor Licensing Procedures - Liquor Primary and Retail Liquor Sales."

## 2.0 SUMMARY

The Rotary Centre for the Arts (RCA) is seeking support for a Liquor Primary license application made to the Liquor Control and Licensing Branch.

## 3.0 BACKGROUND

A liquor license application has been forwarded by the Kelowna Visual and Performing Arts Centre Society to the Provincial Liquor Control and Licensing Branch for their approval. Procedurally, new liquor primary license applications require local government resolution, commenting on the application.

An independent third party café currently holds a Food Primary License within the RCA, which is limited to a small seating area on the main floor of the venue and the outdoor patio. The applicant is seeking a liquor primary license in addition to this food primary, which would operate throughout the entire facility, with the exception of the areas noted on the attached floor plans.

The estimated total person capacity for the license would be 1116 people, as summarized in the table below. Person capacities would be confirmed by the LCLB prior to license issuance:

Area (corresponding to attached floorplans)	Estimated Person Capacity
① Patio	100
② Atrium	104
③ Dance/Multi-Purpose Room	45
④ Main Floor Galleria/Hallways	100
⑤ Rehearsal Room	60
⑥ Main Floor Lobby	100
⑦ Mary Irwin Theatre Seating	332
⑧ Mary Irwin Theatre Stage	75
⑨ Second Floor Mezzanine/Meeting Room/Hallways	200
<b>Total:</b>	<b>1116</b>

The hours of operation requested are from 9:00AM to 1:00AM, seven days a week. The applicant has also requested the ability to have minors within the premises when liquor is being served. Liquor would not be served at youth orientated events.

The venue is located within 500m walking distance of the following liquor primary establishments:

Establishment	Proximity	Capacity	Clientele
Rose's Pub	~300m	321	Downtown Pub
Flashbacks	~200m	490	Cabaret
Delta Grand Okanagan Resort	~150m	2040	Hotel/Conference Centre
Prospera Place	~100m	8046	Stadium
Lake City Casino	~125m	600	Gaming
Kelowna Community Theatre	~350m	236	Concert

The applicant, in conjunction with the City of Kelowna's Property Management Branch and Cultural Services Branch have developed the following rationale and operational plan for the liquor primary application:

#### *Meets Needs of User Groups*

- The expanded liquor service area is an attractive amenity which can be offered to clients. The number of bookings seeking use of the entire facility, with beverage service, is increasing. These bookings are usually for adult-oriented events which have an arts and cultural focus and benefit from the ability of patrons to roam through the facility as they view art or performance and sample food and beverage. Flexibility for service and consumption areas is key, given the wide variety and year-round range of user groups and events.
- Most professional arts centres worldwide have licensed beverage service available for intermissions, receptions and celebrations. Availability of this service adds to the quality of the overall cultural experience at the centre, and meets the standard of hospitality expected by typical patrons.

#### *Provides Administrative and Logistical Efficiencies*

- Limiting beverage service and/or consumption to one area creates logistical challenges given the capacity and layout of the building, and also limits the potential for rental revenue. Without the license amendment, renters or facility management would need to apply for a Special Occasion License or Extension of Service Areas for each event. This is an administrative inefficiency and is often difficult for facility management to coordinate and monitor.

#### *Improves Control and Monitoring*

- While the Liquor Primary license is an attractive amenity to offer to facility renters, it is not intended to become a significant source of revenue for the facility or for renters. Alcohol sales will flow through an on site third party contractor, operating under agreement with the facility. Through this agreement, facility management will maintain exclusive control over the terms and conditions of alcohol service and consumption throughout the facility.
- Patrons are typically invited guests or ticket holders. Events are not open to the public on a drop-in basis. The licensed areas with beverage service will be in use only when

there is a specific event taking place. Most events at the Centre are adult-oriented. If the Centre is hosting an event which is youth oriented, alcohol service will not be provided in the Liquor Primary License area.

- The main sales and service area for the Liquor Primary License is the second floor bar, with consumption throughout the designated Liquor Primary areas. For certain events, facility management may authorize temporary, portable bars throughout the Liquor Primary areas. Sales and service at portable bars, and consumption areas generally will be monitored by staff or trained volunteers.

#### *Offers Service and Consumption Options*

- For renters, liquor service and consumption areas are optional. Facility renters make a choice about whether or not they wish to have liquor service available for their events. Renters can also make a choice about which areas can be used for liquor service and consumption. Facility management may, at their discretion, decline a request by a renter for liquor service, or may restrict the consumption area(s), if they deem it appropriate to do so for the safety or comfort of tenants, patrons, staff and/or volunteers.

#### *No Impact on Maintenance and Cleaning*

- Rental rates are currently structured to adequately compensate the facility for maintenance and cleaning costs arising from facility usage. Rental agreements also provide for additional levies to renters in the event of extraordinary cleaning or maintenance requirements. It is not anticipated that the new license will lead to any significant budget impact for cleaning or maintenance of the facility.

#### *Special Terms and Condition for Beverage Consumption in the Auditorium (Theatre)*

- Beverage consumption in the auditorium will be carefully monitored by facility management to ensure safety of patrons and performers, and to maintain a high-quality performance environment. Facility management may, at their discretion, require that only single-use, disposable beverage containers can be taken into the auditorium area. Patrons are limited to one drink per person as they enter the auditorium.

#### *Outdoor Patio Area*

- The outdoor patio area is a key amenity for renters seeking use of the facility in summer months. The atrium was built with 'garage' style overhead doors which when open provide a seamless interface between the indoor environment and the outdoor patio area. Renters using the atrium in fine weather will expect unrestricted access to the patio and the converse is also true. The patio, although visible and open, does have a railing which separates it from the concrete apron and 'Arts Common' area, and is a more desirable alternative to setting up a tent or other structure for licensed events in the Arts Common. If deemed necessary for patron and consumption control, the facility management can request renters to provide additional bollard and rope barriers and/or security personnel. Noise levels will be carefully monitored by staff during events and measures will be taken to ensure that there is no disturbance for surrounding facilities and businesses. There are no residences immediately adjacent to the facility.

### 3.2 Site Context

The Rotary Centre for the Arts is located in the Cultural District on Cawston Avenue. More specifically, the adjacent land uses are as follows:

<b>North</b>	Prospera Place
<b>East</b>	Laurel Packinghouse
<b>South</b>	Library Parkade, Interior Health
<b>West</b>	Art Gallery, Hotel, Casino

### 3.3 Site Location Map

Subject property: 1315 Water Street



## 4.0 CURRENT DEVELOPMENT POLICY

### 4.1 Mayor's Entertainment District Task Force Report

- "No new, expanded or relocated Liquor Primary Establishment shall be permitted with a person capacity of greater than 500 persons."
- "Any new, expanded or relocated Liquor Primary License application with a person capacity of 350 persons or more shall not be located closer than 300 m (shortest travel distance) to an existing Liquor Primary Establishment with a person capacity of greater than 350 persons and no closer than 100 m (shortest travel distance) to another Liquor Primary Establishment with a person capacity between 150 and 350 person capacity and not abutting or adjacent to another Liquor Primary Establishment with a person capacity of less than 150 persons."

4.2 Liquor Control and Licensing Branch Criteria

The prescribed considerations from the Liquor Control and Licensing Branch are outlined in the Recommendations at the beginning of this report.

**5.0 TECHNICAL COMMENTS**

5.1 Public Health Inspector

No Comment.

5.2 RCMP

Concern over the patio portion of the license. Currently the patio is open and minors have free access. Patio must be secure and closed off from entrance to building.

**6.0 LAND USE MANAGEMENT DEPARTMENT**

The Land Use Management Department is guided by the Mayor's Entertainment District Task Force (MEDTF) Policy regarding all Liquor Primary (LP) and Retail Liquor Sales (RLS) establishments. The proposed license conflicts with the MEDTF Policy as the total capacity would be greater than 500 persons, as well as being in close proximity to a number of larger licensed venues. That being said, the application is an exceptional case, as the facility is not a typical Liquor Primary establishment, with the priority of selling alcohol. The liquor component of the venue should be considered secondary in nature to the cultural entertainment component.

In addition, the total proposed person capacity is misleading given the nature of the venue, where the total amount of patrons in the building is limited by the amount of tickets sold for a given event. Patrons would either be located in the lobby (before, after and during intermissions) or in the auditorium (during the performances), and not both. Following LCLB policies, each licensed space is required to have their own person capacity which is not to be shared between spaces, thus the total person capacity required in this case is greater than is actually needed for operating licensed events. It is also important to have individual person capacities for each licensed area for special events that only utilize one space (i.e. lobby/mezzanine area).

Staff share the concerns of the RCMP regarding the proposed licensed space on the exterior patio space, considering it may be a challenge to control this boundary. Photos of the existing patio are attached to this report.

Notwithstanding this consideration, the Land Use Management Department is supportive of the proposed Liquor Primary license. Staff feel that it would be the responsibility of individual renters to work with venue management in controlling access to the patio space when it is

being used for licensed functions. Depending on the event, it may be appropriate to limit access to the patio with the use of temporary fencing or ropes.

A rezoning application, to be heard at a later date, will need to receive final adoption from Council before the LCLB would be in a position to finalize and issue the proposed license.



Danielle Noble

Urban Land Use Manager

Approved for inclusion



Shelley Gambacort

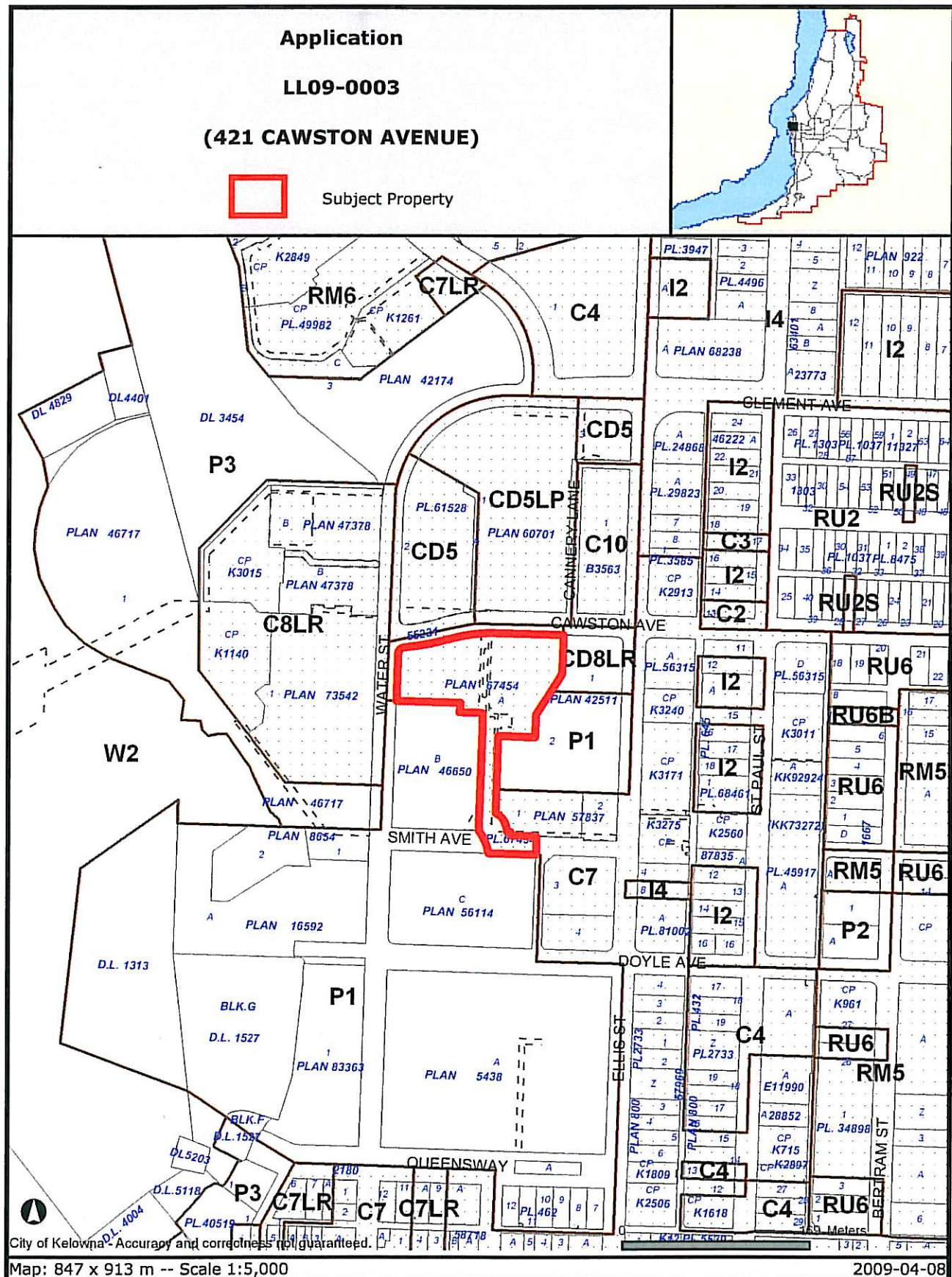
Director of Land Use Management

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#### ATTACHMENTS

- A – Subject Property Map
- B – Floor Plans (2 pages)
- C – Photos of Current Patio Space

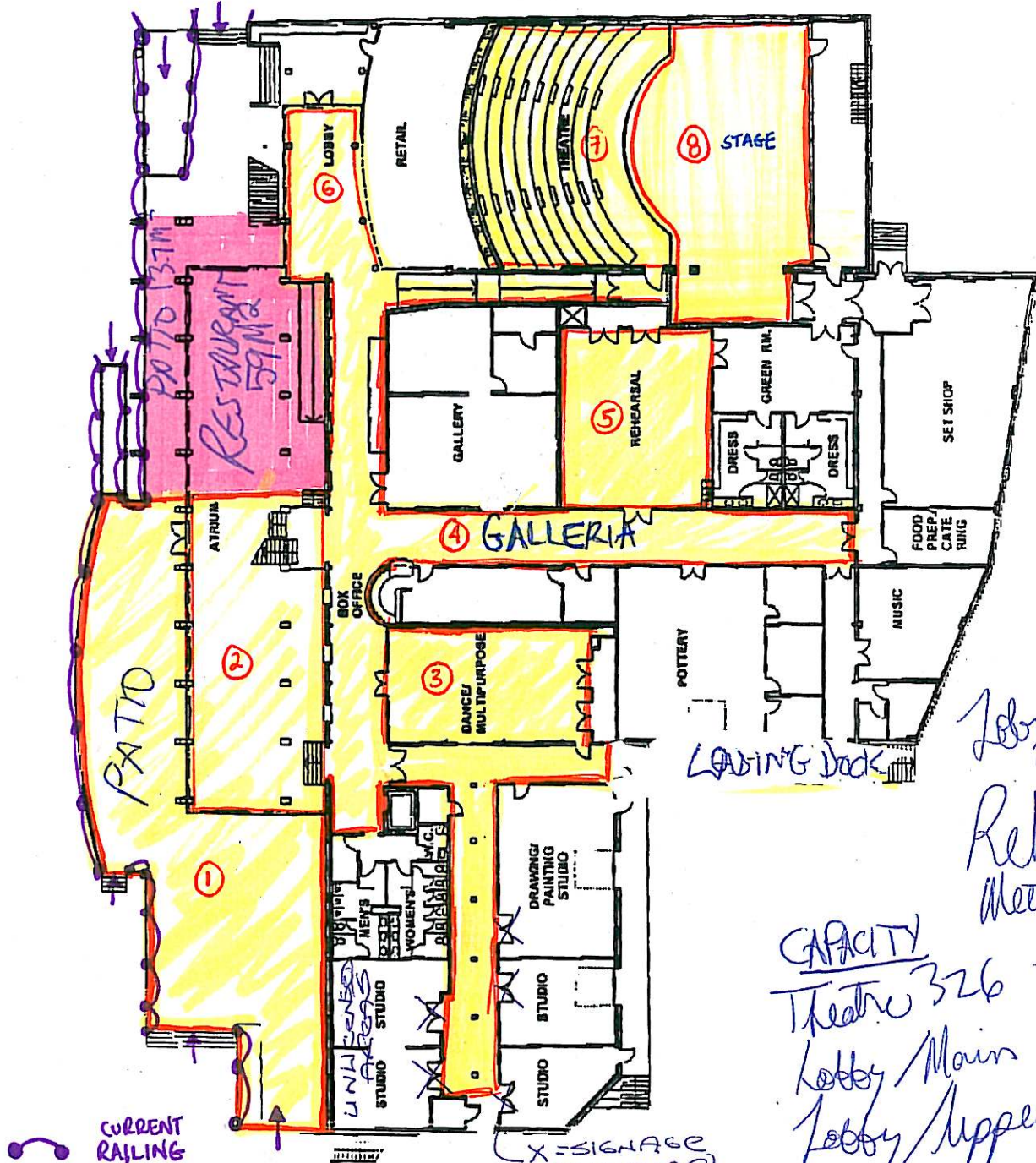




Certain layers such as lots, zoning and dp areas are updated bi-weekly. This map is for general information only.  
The City of Kelowna does not guarantee its accuracy. All information should be verified.

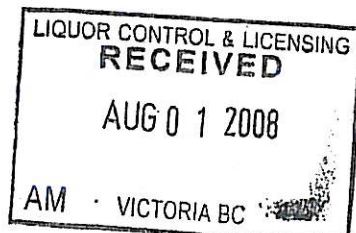
## Schedule D – Facility Floor Plan – First Floor

## Lease Space Map – First Floor



PROPOSED – LIQUOR PRIMARY

CURRENT – FOOD  
as licensed



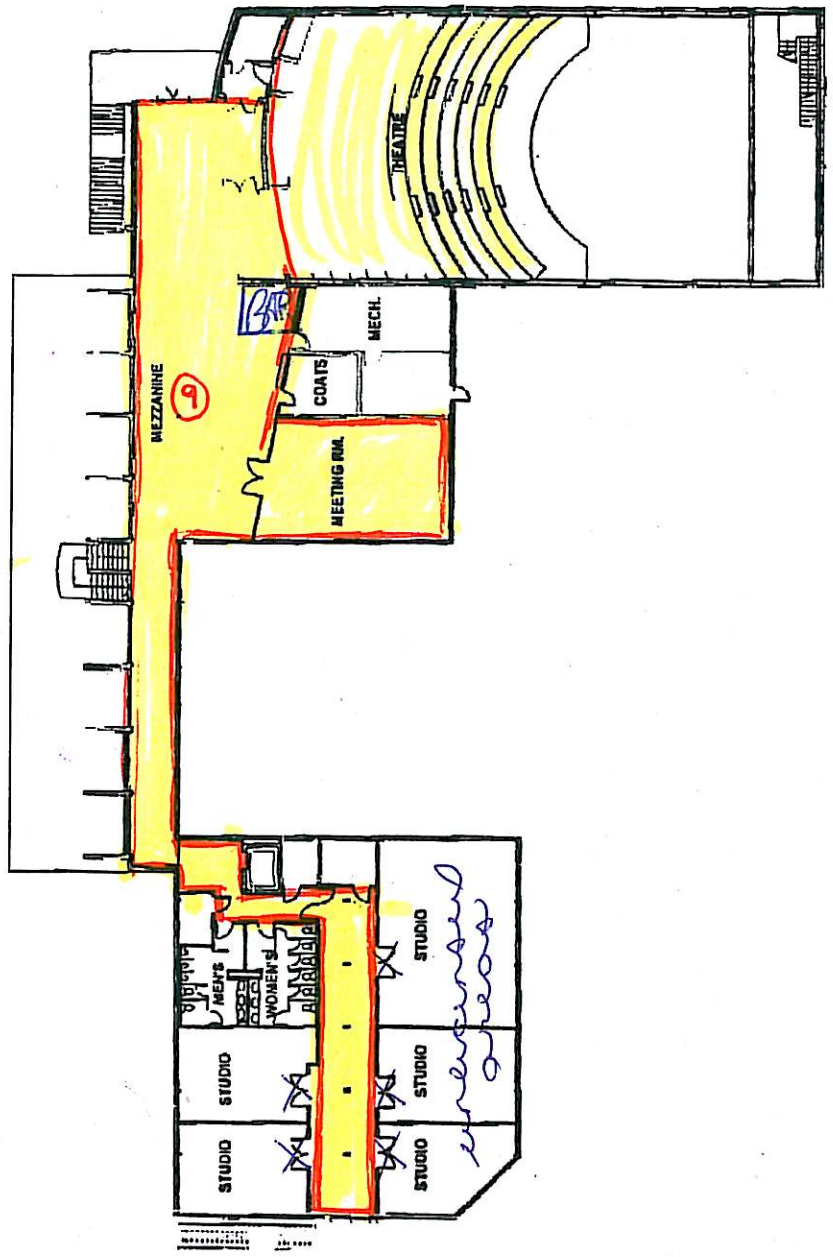
Lobby/Mezzanine 24  
Rehearsal Hall 6  
Meeting Room 59  
Galleria  
Studio 104  
Dance Studio 45  
Patio 12 (Food Primary)  
Patio  
Restaurant 60

CAPACITY  
Theatre 326  
Lobby/Main  
Lobby/Upper  
Atrium 104  
Dance Studio 45  
Patio 12 (Food Primary)  
Patio  
Restaurant 60

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Schedule D - Facility Floor Plan

Lease Space Map - Second Floor



SECOND FLOOR PLAN

LIQUOR PRIMARY  
FOOD PRIMARY



Photos of Current Patio Space  
Rotary Centre for the Arts  
LL09-0003