



City of Kelowna  
1435 Water Street  
Kelowna, BC V1Y 1J4  
250 469-8500  
kelowna.ca

# Council Policy

## Liquor Licensing Policy & Procedures

APPROVED February 21, 2011

RESOLUTION: R710/15/09/14  
REPLACING: R170/11/02/21; Council Policy No. 315  
DATE OF LAST REVIEW: August 2015

### A. BACKGROUND

The Provincial Liquor Control and Licensing Branch (LCLB) regulates the licensing of all liquor establishments and the retail sale of alcohol in British Columbia. City of Kelowna Municipal Council is referred on a number of these applications, including Liquor Primary applications, and other license endorsements. Local government comment is a key component of the LCLB's licensing decisions.

Council recognizes the importance of public entertainment venues, including liquor establishments, as a component of all vibrant cities. Managing the priorities of all community stakeholders is a delicate balance. As part of Council's on-going interest in establishing vibrant, livable Urban Centres, a 2003 report from the Mayor's Entertainment District Task Force was endorsed, relating to liquor licensing policy. The relevant policy from this 2003 report was adopted in former Council Policy #315 – "Liquor Licensing Procedures Liquor Primary (lp) and Retail Liquor Sales (rls)". At Council's request, a new review was completed by City staff in 2010. This new policy summarizes the pertinent policies endorsed in the Liquor Policy Review (2010), and is intended to guide future liquor license applications – including Provincial referral requests and rezoning applications on a City-wide basis.

### B. LIQUOR PRIMARY (LP) ESTABLISHMENTS

In consideration of new, expanded or relocated Liquor Primary Establishments (cabarets/nightclubs, pubs, lounges), the following guidelines should be considered (see table below):

#### 1. Siting/Density Guidelines:

- a) No establishment with a person capacity greater than 500 persons should be permitted.
- b) Large establishments (with person capacity greater than 249 persons):
  - i) Should only be located within an Urban Centre.
  - ii) Should be located a minimum of 250m from another Large establishment.
  - iii) Should be located a minimum of 100m from a Medium establishment.
  - iv) Should not be located beside a Small establishment.
- c) Medium establishments (with person capacity between 100-249 persons):
  - i) Should only be located within an Urban or Village Centre.
  - ii) Should be located a minimum of 100m from a Large or Medium establishment.
  - iii) Should not be located beside a Small establishment.
- d) Small establishments (with person capacity less than 100 persons):
  - i) Should not be located beside another liquor primary establishment.

The above siting guidelines are summarized in the following table:

Establishment Type	Siting requirements from:			Location
	Small (<100 persons)	Medium (100-249 persons)	Large (250+ persons)	
Small (<100 persons)	Not beside.	Not beside	Not beside	City-wide
Medium (100-249 persons)	Not beside	Minimum 100m separation	Minimum 100m separation	Urban or Village Centre
Large (250+ persons)	Not beside	Minimum 100m separation	Minimum 250m separation	Only Urban Centre

- d) The resolution from Municipal Council is then forwarded to the LCLB by the Community Planning Department for their final review.

**3. Notification Requirements:**

- a) Notification requirements are as per Development Application Procedures Bylaw.
- b) The applicant will be required to place notification signage on the property at least ten days prior to the public meeting date. Signs are to be purchased at City Hall.
- c) Notification is sent to property owners within a distance of 100 metres in Urban Centres and 400 metres in all other areas. This notification is coordinated by the Office of the City Clerk.
- d) Newspaper advertisements must take place in a least two consecutive issues, with the last publication to appear not less than three and not more than ten days before the Public Hearing or Public Meeting. Municipal Staff shall be responsible for the placement of the notification with the appropriate papers.
- e) Public notification and newspaper advertisement shall be completed at the applicant's expense.

## **E. TEMPORARY LICENSE CHANGES**

Temporary license changes may be considered by the Community Planning Manager or designate. Temporary Changes will only be considered by Council should the applicant wish to appeal the decision of the Community Planning Manager.

Where appropriate, temporary changes are reviewed with the RCMP, Fire Department, Building and Permitting Department, and the local liquor inspector.

Staff may consider up to six temporary license changes per calendar year for Liquor Primary establishments that are members in good standing of the bar owners association known as "The Standard", including late closing requests. These requests will be considered on a case-by-case basis, and will be subject to additional policing costs being paid prior to the event (for example, 4:00am closings). Any establishment that generates concerns or complaints as a result of the use of temporary changes or through general operations of their establishment will have their temporary changes reduced to 3 for the first incident and 0 for any subsequent incidents as the discretion of the RCMP and Liquor Licensing Inspector.

## **F. SPECIAL OCCASION LICENSE**

The following considerations should be applied to Special Occasion License requests:

- a) SOL requests that require RCMP/Local Government consideration will be evaluated on a case-by-case basis.
- b) Review of SOL requests will include review of a number of factors, including (but not limited to) location, capacity, hours of operation, previous compliance, and impact on surrounding neighbours.
- c) SOL requests are intended to be for infrequent events, and are not to be used as a substitute for a permanent liquor license at a venue. Attention will be given to the number of SOL requests made in a given time period at one property.
- d) The RCMP have the authority to place additional restrictions on SOL's should they have public safety concerns associated with the event.
- e) No SOL's are to be granted where the proposed event is intended to cater to youth or where youth (under the age of 19) will be present.
- f) SOL licensees are to retain qualified private security personnel to monitor access to and from licensed events, where requested.
- g) All SOL events must respect the City of Kelowna Noise Bylaw.

### **REASON FOR POLICY**

To establish revised policy and procedures for processing liquor license applications.

### **LEGISLATIVE AUTHORITY**

Liquor Control & Licensing Act

### **PROCEDURE FOR IMPLEMENTATION**

As outlined in the Liquor Policy Review Final Report.



## Retail and Convenience

### BC Liquor Stores' Sales by Region (2012/13)

#### Vancouver Island and Coast

Spirits:	\$62.9m
Wine:	\$81.1m
Beer:	\$55.0m

#### Mainland and Southwest

Spirits:	\$213.4m
Wine:	\$284.4m
Beer:	\$184.4m

#### Thompson Okanagan

Spirits:	\$49.8m
Wine:	\$51.0m
Beer:	\$46.8m

#### Kootenay

Spirits:	\$15.7m
Wine:	\$13.9m
Beer:	\$19.5m

#### Cariboo

Spirits:	\$15.8m
Wine:	\$10.5m
Beer:	\$14.6m

#### North Coast

Spirits:	\$5.3m
Wine:	\$4.0m
Beer:	\$5.1m

#### Nechako

Spirits:	\$4.8m
Wine:	\$2.8m
Beer:	\$5.7m

#### Northeast

Spirits:	\$7.6m
Wine:	\$3.5m
Beer:	\$7.8m

### Total

Spirits:	\$375.4m
Wine:	\$451.1m
Beer:	\$339.0m

British Columbians enjoy the responsible use of alcohol, buying a wide range of wine, beer and spirits – especially those produced in our own province. In the 12 months ending September 2013, British Columbians bought 32.7 million litres of B.C. wine and 31.4 million of imported wine. B.C. craft beers are gaining popularity: 10 new breweries opened across the province since Jan. 1, 2013 and many applications are in progress. There is also a growing interest in B.C. spirits. There are 19 distilleries and craft distilleries (those producing with 100 per cent B.C. agricultural inputs) currently operating in the province. This is a new industry with significant potential for long-term growth.

Eighty per cent of alcohol sales in B.C. are for personal use, through BC Liquor and private retail stores. There are a total of 1,147 liquor retail outlets in the province:

- ▶ Most alcohol sales (48 per cent of dollar value) are through 195 government liquor stores. They are operated by the provincial LDB across the province and sell all types of liquor.
- ▶ Private retail stores were introduced in 1985. Initially, they were restricted and sold only beer and wine. In 2002, they began selling spirits. There are 670 private retail stores in B.C., selling 41 per cent (dollar value) of retail alcohol. In 2002, a long-standing moratorium on new licences was temporarily lifted, resulting in the licensing of almost 400 new stores. The moratorium was reintroduced and the number of stores in B.C. has remained constant. Private retail stores have adjusted to changes as the marketplace has evolved, showcasing B.C. liquors and consistently looking for new opportunities to expand.
- ▶ British Columbia has developed a vibrant and quality wine-manufacturing industry. Wineries sell directly to the public, to licensees and to liquor stores. In addition, the BC Wine Institute has been issued 21 store licences throughout the province to sell Vintners Quality Alliance (VQA) wines produced by many of the province's wineries. As British Columbians have become more educated about and interested in wine, these specialty stores have cultivated a strong niche market.
- ▶ The 221 rural agency stores in B.C. provide a convenience for people in rural and isolated resort areas who are not served by a government or private retail liquor store, and hold only a four per cent share (dollar value) of the retail market. Their delivery model is unique in B.C.: bottles of beer, wine and spirits are sold alongside food, household supplies, newspapers, magazines and other general consumer goods. rural agency stores are important contributors to the development of rural communities throughout the province; they meet the needs of convenience and choice expected by many consumers today.

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**@BobBrayCR:** The store within a store concept for beer and wine sales is working very well on Quadra Island. **#bcliquor**  
**#bccp #bcpoli #leadbcc**

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As with all retail markets, convenience is a key decision point for consumers. The resounding message I heard throughout the Liquor Policy Review was the firmly held public view that alcohol sales in British Columbia do not meet the needs or expectations of most consumers.

*We strongly support broad modernization of our liquor laws. Specifically, we support broader distribution at regular retail outlets (grocery stores, warehouse outlets) and new, creative places (hair salons, spas, retail shopping, farmers' markets; anything that is fun and new), competition on selection (allow merchants to source in the open market), price, and convenience. We disagree in the strongest terms possible that the above changes will increase irresponsible behavior; see Europe as a model that trusts its citizens to behave while providing harm reduction services in parallel).*

*In summary, enough of the Nanny-State; allow creativity and enjoyment to flourish in BC, tax revenue to be raised, and social services to benefit as a result.*

*Mark, Sept. 29*

## Increased convenience for consumers

Allowing liquor to be sold in grocery stores drew more public interest and comment than any other topic examined in the Liquor Policy Review. By the end of our public engagement process, almost 75 per cent of people commenting on grocery were generally in favour of changing the regulations to allow for access to liquor products in grocery stores.

Some B.C. residents are already very familiar with the convenience of buying liquor along with their groceries and other household supplies. Since the 1970s, British Columbians in rural communities have bought beer and wine at rural agency stores. They currently have a unique status, and their customers are well-accustomed to the convenience of one-stop shopping near their homes.

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**@badkaren67:** **@John\_Yap** pls keep in mind that big cities & small towns r NOT the same. One size does not fit all **#bcliquor**

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October 2, 2013  
meeting with the  
Alliance of Beverage  
Licensees



Urban British Columbians do not enjoy this same convenience, and this issue was raised repeatedly on the Liquor Policy Review website. British Columbians are more exposed than ever before to ideas in other jurisdictions. People are very much aware that when we compare our liquor policies with others parts of North America and around the world, ours is much more control-oriented, more restrictive. I repeatedly heard comparisons with shopping for wine and beer in Washington, Oregon and California, in Ontario, Quebec and Nova Scotia, and across Europe.

*I would love to be able to purchase beer and wine at grocery stores. Especially with the boom in local craft breweries and an increasing focus on buying “local”, it would be wonderful to be able to buy my food AND drinks from the same store, that offers local goods. 90% of my purchasing is beer and wine, and I am happy to go to liquor-only stores for the other 10%.*

*Caitlin, Oct. 10*

Each of these jurisdictions has its own history with the regulation and sale of alcohol, and each has developed its own retail model. Some, such as France, treat alcohol – particularly wine – as part of the meal. Alcohol is on the grocery shelves, with no retail restrictions. Other jurisdictions, such as Nova Scotia, meet the customer’s demand for one-stop shopping with a government liquor store beside – or even inside – the grocery store, with an open doorway connecting the distinct liquor and food outlets.

My conclusion is that today’s retail model has not kept pace with consumers’ expectations.

British Columbians have communicated that they want more convenience. The response to this expectation by consumers should be tailored to the British Columbia marketplace. Key considerations include:

- In 2012, the moratorium on expanding the number of liquor retail store licence holders was confirmed and will remain in place until 2022. Any recommendations for new retail models must meet this requirement that the total number of licences does not exceed 670.
- British Columbia has a thriving wine industry, a growing craft beer industry and an emerging artisan spirit sector. British Columbians are loyal to B.C. producers and are keen to buy local, regional and provincial liquors that showcase exceptional B.C. products.
- British Columbia has a complex retail environment for alcohol sales. Developing a new sales model will have to respect the mixed public and private marketplace, and the significant investment these businesses have made in terms of both direct financial investment and job creation. It will also mean greater flexibility may be needed around the business model and hours for private licensees.
- The production, distribution and sale of B.C. liquors is a significant contributor to the economy, contributing more than \$1.1 billion to the Province.

One of the most important points to emerge in the Liquor Policy Review conversations is the significant gap between how consumers live today, the dramatic shift caused by online purchasing, and how little the alcohol sales model in British Columbia has changed. British Columbians do not have the same luxury of time that they used to have, and many have radically altered the way they shop. As more alternatives become available, consumers are increasingly frustrated with the time-consuming chore of travelling to several locations for their purchases. That's why government should look at consistency in operating hours for licensed, rural agency and manufacturer retail stores.

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**@hed3393:** Buying booze in grocery stores would be way more convenient **#bliquor**

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**@erinmct:** Lets get liquor in BC grocery stores. It's long overdue  
**@John\_Yap #bliquor**

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**@BC\_Deb:** **@John\_Yap** It is quite a long drive to the nearest govt. liquor store, for me, and I am in Victoria! Grocery Stores are everywhere **#bliquor**

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**@carolynjohnst16:** **#liquor** sold in the grocery stores?!  
**#bliquor...** good idea but **#regulation** needed.

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Beyond that, maintaining the current number of retail liquor outlets while allowing sales in grocery stores may require a new flexibility for the licensed retail stores, such as allowing them to relocate or transfer/sell their licences. Government-owned BC Liquor Stores will also be impacted by a new grocery retail model; those stores, too, should have the ability to be part of a new approach. Throughout my consultations, I heard from individuals and groups that people prefer our mixed model, with both public and private retail stores.

The public engagement process left a very clear impression: British Columbians want the convenience of buying beer and wine with their groceries. While government and industry should meet the demands of the changing marketplace, we also need to recognize the challenges for private and public retail stores to adapt quickly to new business models. Consideration must be given to a phased-in approach.

Any grocery model must, at a minimum, maintain the current revenue to government from liquor sales and respect the obligations that exist in current collective agreements. As part of this new retail approach, B.C. products should continue to be featured and highlighted. Supporting B.C. manufacturers and products meets consumer demands and contributes to the province's economic development.

Communities that have rural agency stores appear to already offer a level of convenience for customers perhaps even beyond what British Columbians are looking for in the rest of the province. As that is the case, I would not anticipate any new grocery model to impact these retailers. In fact, I would suggest that those communities with rural agency stores should be able to maintain their current model once a new grocery model is introduced in other communities. I am not recommending alcohol be made available in convenience stores outside of the rural agency store (RAS) model.

Finally, as noted earlier, the Centre for Addiction and Mental Health has ranked B.C.'s alcohol policy as the second best in Canada in terms of health and safety. This existing regime that protects health and public safety supports B.C. maintaining its moratorium on new retail liquor licences and acknowledges the safety benefits of continuing to put thoughtful restrictions on minors' access.

According to the BC Wine Institute,  
B.C. has **227 wineries** (up from 17 in 1990)  
and more than **864 vineyards** on more than  
**9,800 acres** of land.

British Columbia News

## **B.C. wine on grocery shelves ripe for the picking**

<https://news.gov.bc.ca/stories/bc-wine-on-grocery-shelves-ripe-for-the-picking>

Wednesday, April 1, 2015 10:00 AM

SURREY - 80% of all feedback during the Liquor Policy Review asked for it, government promised it and now consumers will benefit from it: liquor sales in grocery stores start today.

First out of the gate for the wine-on-shelves model is the Save-On-Foods in Surrey, partnering with the BC Wine Institute to represent almost 100 wineries, and selling around 500 different B.C. wines on its shelves for customers. To celebrate, a local winemaker and Save-On-Foods chef joined forces to offer expert advice and create a menu perfect for pairing with the 100% B.C. wines now sold in-store - signalling the start of a new grocery shopping experience for British Columbians.

To safeguard public safety and prevent access to alcohol by minors, all wine will be kept on designated shelves, and must be purchased at tills that have a Serving It Right certified, 19+ cashier. Food and wine pairings, including samples of wine, are also allowed in-aisle, thanks to recently updated rules.

Also on the radar is the new store-within-a-store model, which allows grocery stores to offer a full-suite of alcohol products. This model will be adopted gradually, as licences begin to relocate throughout the province - to other locations, and into grocery stores - providing more flexibility for businesses.

Today also marks a number of other changes that will increase competition in the marketplace, bring convenience, choice and selection for British Columbians, and support a level playing field for liquor retailers throughout B.C.:

- BC Liquor Stores will begin rolling out refrigeration, offering Sunday openings and extending their operating hours at a number of locations throughout the province.
- Many BC Liquor Stores will be opening their doors during the Easter holidays. Check out the changed hours at your local BC Liquor Store here: [www.bcliquorstores.com](http://www.bcliquorstores.com)
- All BC Liquor Stores prices on the shelf are now the pre-tax amount - with no significant change in the price customers see on their receipt.
- All liquor retailers - including BC Liquor Stores - will purchase their alcohol at the same wholesale price, using B.C.'s new wholesale model for liquor purchasing and distribution.

### **Quotes:**

#### **Suzanne Anton, Minister of Justice -**

“This is a milestone event for B.C.’s progress in modernizing our liquor laws - a culmination of our public and industry consultations, our work to update B.C.’s liquor laws, and our promise to get out of the way and let B.C. businesses do what they do best: create jobs and enhance our economy.



- All stores will be closed on Easter Sunday
- 27 stores will be open on Easter Monday

**Learn More:**

View a list of BC Liquor Stores that have signed on for extended hours, including on Sunday:  
[www.bcliquorstores.com](http://www.bcliquorstores.com)

Find answers to questions about liquor in B.C. grocery stores and the lottery process:  
[www.pssg.gov.bc.ca/lclb/policy/qa.htm](http://www.pssg.gov.bc.ca/lclb/policy/qa.htm)

Learn about applying for your special occasion licence online: [www.solo.bcldb.com](http://www.solo.bcldb.com)

**Media Contacts:**

Ministry of Justice  
Government Communications and Public Engagement  
250 213-3602

**Media Assets**

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