

REPORT TO COUNCIL

LIQUOR LICENSE



Date: May 12, 2025
To: Council
From: City Manager
Address: 3778 Hilltown Drive
File No.: LL25-0009

1.0 Recommendation

THAT Council directs Staff to forward the following Recommendation to the Provincial Liquor and Cannabis Regulation Branch (LCRB):

In accordance with Division 9 (71) of the Liquor Control and Licensing Regulation and Council Policy 359, BE IT RESOLVED THAT:

1. Council recommends support of an application from Azhadi Wines Ltd. for a lounge endorsement for Lot 2 Section 33 Township 23 Osoyoos Division Yale District PLAN EPP8753, located at 3778 Hilltown Drive, Kelowna, BC for the following reasons:
 - The proposed lounge endorsement is consistent with regulations of the Liquor and Cannabis Regulation Branch, Agriculture Land Commission, and Council Policy 359.
2. Council's comments on LCRB's prescribed considerations are as follows:
 - a. The location of the winery/special event area:
The proposed lounge endorsement is located to minimize the impact on agricultural productivity.
 - b. The proximity of the winery/special event area to other social or recreational facilities and public buildings:
The winery is located north of the McKinley neighbourhood and is situated on rural lands in North Glenmore. Proximity is not anticipated to be a concern.
 - c. The person capacity of the winery lounge:
The person capacity is acceptable as it aligns with Council Policy 359 which recommends that the liquor establishment capacity outside of the Central Area not exceed 250 persons.
 - d. Traffic, noise, parking and zoning:
Traffic, parking, and zoning are not anticipated to be a concern.

2.0 Purpose

To seek Council's support for a lounge endorsement to an existing manufacturing licence.

3.0 Development Planning

Staff support the request for a Lounge Endorsement on the existing manufacturing licence as it is consistent with Council policy related to liquor licensing. The winery is located in the Agricultural Land Reserve (ALR) and is surrounded by a mix of agricultural and residential properties. The proposed Lounge Endorsement will be located inside the winery and a patio adjacent to the winery building.

The subject property is located within the ALR and the use of a winery with a Lounge Endorsement is a permitted farm use, that may not be prohibited by local government, provided that the size of the lounge is no larger than 125 m² inside and 125 m² outside. The proposal does not exceed the permitted size.

4.0 Project Details

Proposed Hours:

		Sun	Mon	Tues	Wed	Thurs	Fri	Sat
Open		10:00 AM	10:00 AM	10:00 AM	10:00 AM	10:00 AM	10:00 AM	10:00 AM
Close	Indoor	11:00 PM	11:00 PM	11:00 PM	11:00 PM	11:00 PM	11:00 PM	11:00 PM
	Patio	11:00 PM	11:00 PM	11:00 PM	11:00 PM	11:00 PM	11:00 PM	11:00 PM

Occupant Load:

	Proposed
Indoor	68
Outdoor	68
Total	136

5.0 Site Context & Background

Orientation	Zoning	Land Use
North	A2 – Agriculture/ Rural Residential	R-AGR – Agriculture & Resource
East	A2 – Agriculture/ Rural Residential	R-AGR – Agriculture & Resource
South	CD18 – McKinley Beach Resort	S-RES – Suburban Residential
West	A2 – Agriculture/ Rural Residential	R-AGR – Agriculture & Resource

Subject Property Map: 3778 Hilltown Drive



The subject property is located on Hilltown Drive near the intersection of Vine Place and McKinley Beach Drive. The surrounding area consists of a mix of agriculture and residential uses.

6.0 Public Input Received

Neighbour notification was conducted in accordance with Council Policy #359:

- Notices were delivered to properties within a 300 m radius of the subject property by a combination of hand delivery or mail by March 31, 2025; and
- Signage was erected on the subject property on April 22, 2025.

Notification provided an opportunity for affected residents to comment on the proposal. As of April 30, 2025, no individuals from the public provided input.

7.0 Current Development Policies

7.1 Kelowna OCP Official Community Plan

Objective 8.1. Protect and preserve agricultural land and its capability.	
Policy 8.1.1 Protect agricultural land	A winery, including a lounge, is a permitted farm use under the ALR, and may not be prohibited by local government. Support for a winery ensures that the primary use of agricultural land is agriculture. <i>The winery is a permitted use under the ALR</i>
Policy 8.1.5 – Agri-tourism, Alcohol Production Facilities, Farm Retail Sale	Support agri-tourism uses that are directly associated with and supportive of established farm operations as a primary use. Permit alcohol production facilities and farm retail sales on ALR lands where consistent with ALC policies and regulations. <i>The winery and lounge endorsement support the primary use of farming</i>

8.0 Council Policy #359 – Liquor Licensing Policy and Procedures

The following sections of Policy #359 are applicable to this application:

- A licensed establishment located on parcels within the Agricultural Land Reserve (ALR) will only be permitted in accordance with the Agricultural Land Commission Act (ALCA) and ALR Regulations. If not regulated by the ALCA or ALR regulations, liquor establishments on agricultural land must comply with all sections of this Policy.
- For a licensed establishment outside of the Central Area, liquor service may only be permitted between the hours of 9:00 AM and 12:00 AM.
- Outside of the Central Area, an outdoor patio at a licensed establishment may not operate later than 12:00 AM. If the property, or any adjacent or abutting property, is designated or zoned for residential uses the patio must not operate later than 11:00 PM.
- For a licensed establishment outside of the Central Area, the capacity may not exceed 250 persons.

9.0 Technical Comments

9.1 R.C.M.P.:

No comments provided.

10.0 Application Chronology

Application Accepted: March 17, 2025
Neighbourhood Notification Received: April 22, 2025

Report prepared by: Carson Mackonka, Planner II
Reviewed by: Alex Kondor, Development Planning Manager
Reviewed by: Nola Kilmartin, Development Planning Department Manager
Approved for Inclusion: Ryan Smith, Divisional Director, Planning, Climate Action & Development Services

Attachments:

Attachment A: Floor Plan/Site Plan/Occupant Load
Attachment B: Letter of Rationale
Attachment C: Summary of Neighbourhood Notification