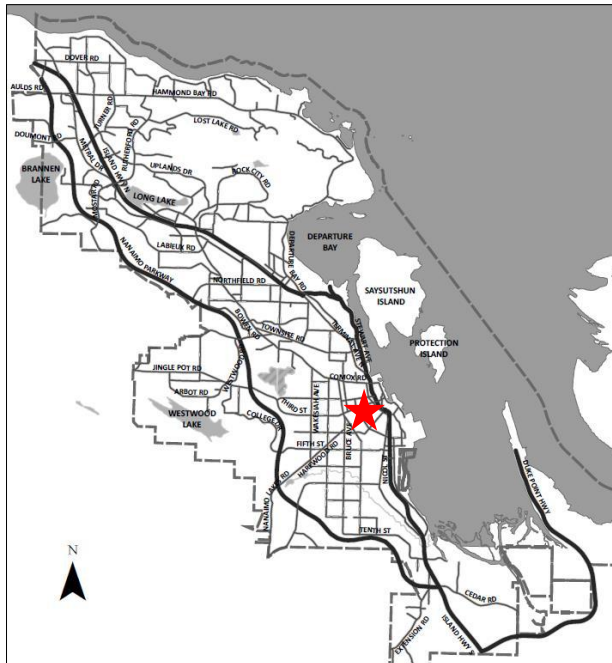


FOR: COUNCIL MEETING

MEETING DATE: June 22, 2026

DEPARTMENT: PLANNING AND DEVELOPMENT

SUBJECT: LIQUOR LICENCE AMENDMENT APPLICATION NO. LA000159 –
240 SKINNER STREET



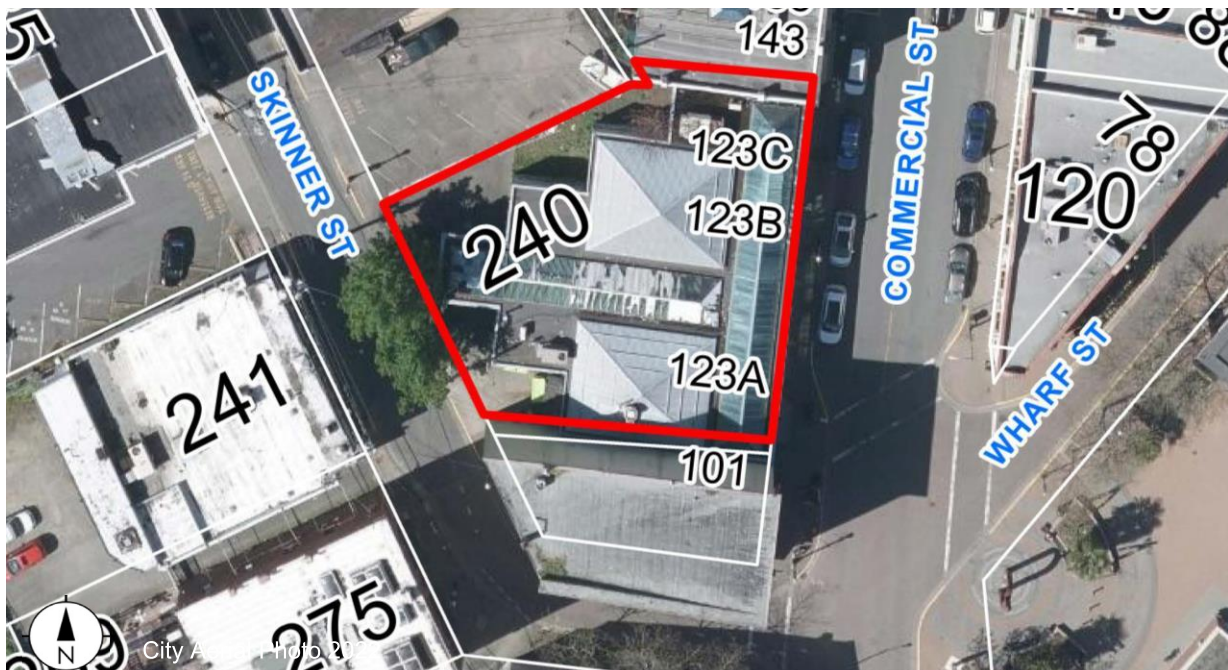
Proposal:
Change of hours to existing liquor
primary licence

Zoning:
DT1 - Core

City Plan Land Use Designation:
Primary Urban Centre

Lot Area:
773m²

LA



OVERVIEW**Purpose of Report**

To present for Council's consideration an amendment to an existing liquor primary licence for an entertainment use (nightclub) at 240 Skinner Street.

Recommendation

That Council recommend that the Liquor and Cannabis Regulation Branch approve the application to amend an existing liquor primary licence for an entertainment use (nightclub) at 240 Skinner Street.

BACKGROUND

A notice of application was received from 1431109 BC Ltd. requesting a local government resolution in support of their application to the Provincial Liquor and Cannabis Regulation Branch (LCRB) to change the hours of liquor service at an existing entertainment use (nightclub), Sweet Spot Lounge, located at 240 Skinner Street.

A liquor primary licence was issued for a previous nightclub operating at this location. As permitted by the LCRB, Sweet Spot Lounge assumed this liquor licence. The permitted hours of service under the existing liquor primary licence are 7:00 p.m. to 2:00 a.m., seven days a week. An amendment is proposed to change the hours of service to 11:00 a.m. to 2:00 a.m., seven days a week.

The existing Core Zone (DT1) in the "City of Nanaimo Zoning Bylaw 2011 No. 4500" (the "Zoning Bylaw") permits a broad mix of uses including clubs, cultural and entertainment uses. Entertainment use, as defined in the Zoning Bylaw, includes nightclubs, cabarets, cinemas, theatres and the like, and "nightclub/cabaret" is defined as:

"[A]n establishment licensed to serve liquor in conjunction with live entertainment and / or dancing as a liquor-primary establishment under the Liquor Control and Licensing Act. In this definition, live entertainment includes forms of adult entertainment, including exotic dancing and stripping."

The existing nightclub includes adult entertainment in the evening hours. The applicant has indicated their intent is to extend liquor service hours earlier in the day to operate a sports bar during daytime and evening hours.

A local government resolution is required for the proposal to change the hours of liquor service before the LCRB will further consider this application.

DISCUSSION

In accordance with the *Liquor Licence Review Policy* and the *Liquor Control and Licensing Act*, liquor licence applications are reviewed against the following criteria:

- the location of the establishment;
- the person capacity;

- the hours of liquor service;
- the impact of noise; and,
- the impact on the community.

Public Consultation

The following summarizes the opportunities for public consultation and information sharing:

- In accordance with the *Liquor Licence Review Policy*, public comments from residences and businesses within 100m were gathered for a period of 30 days, concluding on 2026-MAY-25.
- A total of 182 comment sheets were received by the City, of which seven were received from within the 100m notification area and 175 were received from outside the notification area.
- Out of seven comments sheets received from the notification area, five supported the application, and two opposed the application, citing concerns related to potential conflicts with the nightclub activities and impacts on neighbouring businesses. The remaining 175 submissions, received from outside the notification area, were opposed to the application and raised similar concerns. The public comment sheets received are included as Attachment B.
- The liquor licence application was referred to the RCMP and City departments for review and comments. Responses are discussed in the sections below.

Location of the Establishment

The subject property is centrally located in the downtown area, with frontage along both Skinner Street and Commercial Street. The area includes local-serving retail and mixed-use developments, as well as a number of tourist destinations including heritage buildings, Diana Krall Plaza, the Nanaimo Museum, and the Nanaimo Art Gallery.

City Plan designates the property as 'Primary Urban Centre' and the property is zoned Core (DT1), intended to provide for a mix of uses where residents live near retail shops, restaurants, and other service uses, clubs, cultural and entertainment uses.

Person Capacity and Hours of Service

The proposed hours of liquor service are 11:00 a.m. to 2:00 a.m., seven days a week. Liquor Service is limited to be within the existing building. The applicant has indicated that the extension to the liquor service hours is intended to accommodate the operation as a sports bar and to host functions, events, and meetings during daytime and evening hours.

The maximum occupant load for the establishment would remain unchanged at 200 persons.

Noise and Community Impact

The City's Public Safety department reviewed the history of activity in the immediate area surrounding this establishment. The existing nightclub is one of several high-occupancy venues on Skinner Street, and its operating hours occur primarily when most adjacent businesses are closed. Historically, the City has received complaints related to litter and nuisances associated with late-night patron activity.

More recently, since the club began featuring exotic dancers, at least one neighboring business has reported issues involving litter and patrons congregating on their property. Staff have also received several complaints expressing concern about the appropriateness of an exotic-dance venue operating in the downtown core.

Staff note that extending hours of operation into daytime periods may increase the tensions with neighbouring businesses, as daytime operations typically coincide with higher levels of commercial activity in the area. It is also noted that the operator of the Sweet Spot Lounge entered into a Good Neighbour Agreement with the City in 2024, which provides a framework for addressing community impacts and promoting responsible operations.

The RCMP has advised that the new operator is a participant in the Bar Watch program, and the change in liquor service hours is not expected to unduly impact policy resources, so the RCMP has no objection to the application.

The applicant has also indicated that operational practices will be implemented to mitigate potential conflicts, including fully trained and licensed servers, and limiting to lower music volumes during daytime hours.

CONCLUSION

City Plan and the Zoning Bylaw support entertainment uses in the 'Primary Urban Centre' and DT1 zone. Despite the potential for compatibility concerns with adjacent businesses, the extension of liquor service hours during daytime is supportable considering liquor service will be contained within the building and patron numbers are limited to the approved occupancy. The proposal supports vibrancy in the downtown area by enabling daytime activities such as sports viewing, functions, and events, contributing to increased economic activity and community engagement. Staff recommend support for the application.

Should Council pass a resolution to support the application, Staff will forward the resolution to the LCRB. The final decision regarding the approval of change in hours to existing liquor primary licence application will be made by the LCRB.

KEY MESSAGES

- The application, if approved, would allow liquor to be served within an existing entertainment use from 11:00 a.m. to 2:00 a.m., seven days a week.
- Public comments were gathered from nearby residents and business owners for a period of 30 days, ending on 2026-MAY-25.
- Despite concerns from adjacent businesses, the extension of liquor service hours is supportable and would allow the operation of a sports bar and other functions, events, and meetings during daytime and evening hours.
- Staff recommend support for the application.

ATTACHMENTS

ATTACHMENT A: Subject Property Map

ATTACHMENT B: Public Comment Sheets |

Authored by:

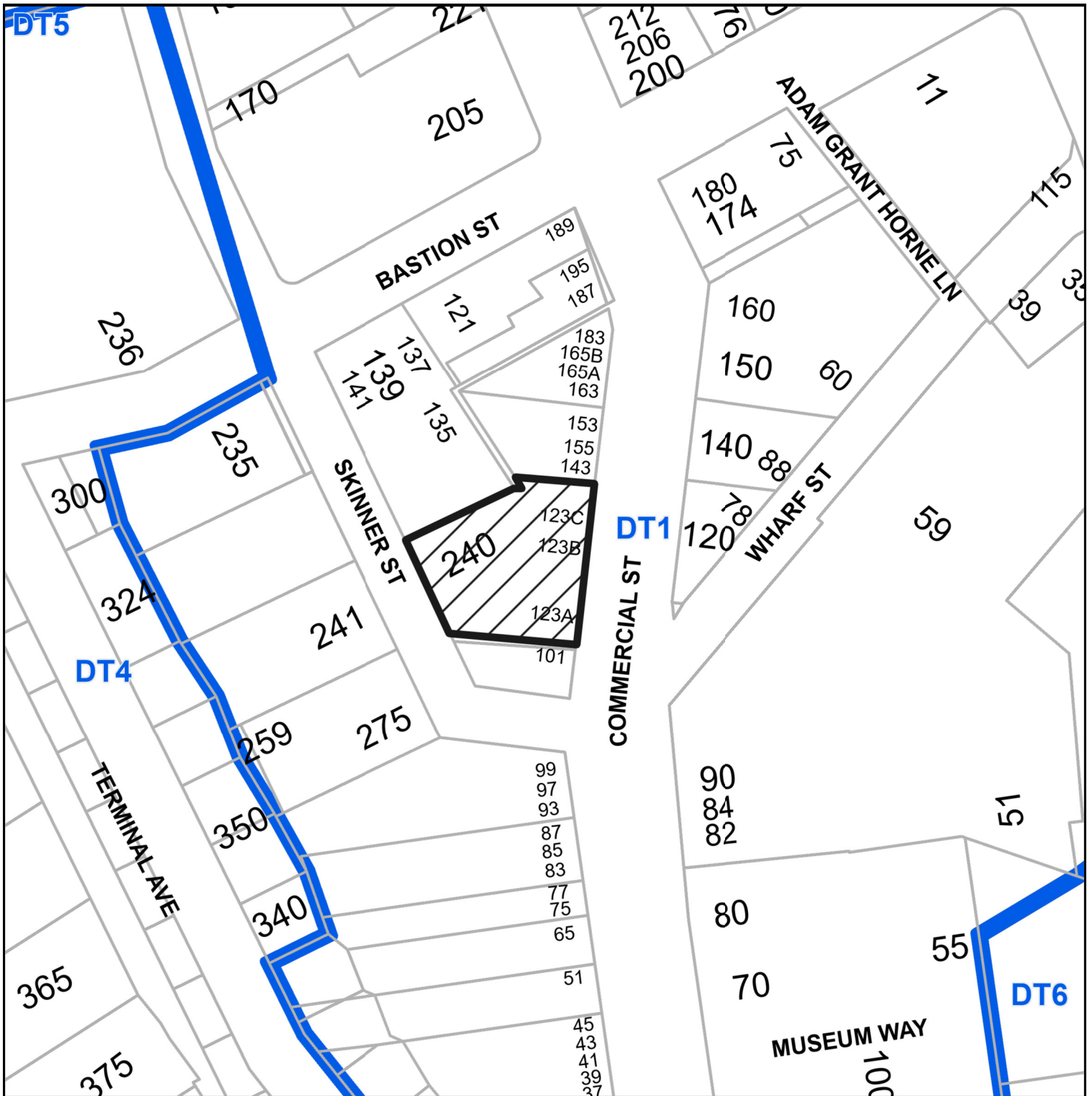
Vidhi Kyada
Planner I, Current Planning

Concurrence by:

Lainya Rowett
Manager, Current Planning

Jeremy Holm
Director, Planning & Development

ATTACHMENT A
SUBJECT PROPERTY MAP



240 SKINNER STREET

ATTACHMENT B

Link to: [LA159 Public Comment Sheets](#)