



NOTICE OF MOTION

Date: Nov 30th, 2023
To: Mayor and Council
From: Councillor Kyle Sampson, Councillor Ron Polillo
Subject: Revision of Business License Fees for Cannabis
Attachment: None

RECOMMENDATION:

1. That Council directs Administration to return to the next regular Council meeting with a proposed amendment to the City of Prince George Comprehensive Fees and Charges Bylaw No. 7557, to align the fees for Retail Cannabis with Retail Liquor.

DISCUSSION:

Council should consider whether Retail Cannabis business operations have required further municipal resources than other comparable retail businesses, such as Liquor Retail, whereas there is disparity between the fees due to initial concern that Cannabis would potentially have an increased cost for regulation and control by municipal government.

Background Info:

Cannabis as a permitted use and permitted business license type:

1. On September 17, 2018, Council considered First & Second Readings of the following bylaw amendments:
 1. City of Prince George Zoning Bylaw No. 7850, 2007, Amendment Bylaw No. 8974, 2018, which defined "Retail, Cannabis" and included the "Retail, Cannabis" use within a few commercial zones (C1c, C2c, C4c, C6c).
 2. City of Prince George Business Regulation and Licensing Bylaw No. 7851, 2007, Amendment Bylaw No. 8975, 2018, to incorporate a "Retail, Cannabis" license type to the bylaw.
 3. City of Prince George Comprehensive Fees and Charges Bylaw No. 7557, 2004, Amendment Bylaw No. 8976, 2018, to include a business license fee for "Retail, Cannabis" at \$5,000/year.
 4. Discussion commenced and a motion was put forward to reduce the annual licensing fees for "Retail, Cannabis" at \$1,000/year.

Moved by Councillor Skakun, seconded by Councillor Frizzell, that Council AMENDS "City of Prince George Comprehensive Fees and Charges Bylaw No. 7557, 2004, Amendment Bylaw No. 8976, 2018", in Section 1a, as follows:

1. for the “Cannabis Retail” business license category, by deleting “\$5000” and replacing it with “\$1000”; and
2. for the “Cannabis Production Facility” business license category, by deleting “\$5000” and replacing it with “\$1000”.

Carried

Councillors Koehler, Merrick and Scott opposed.

2. On October 15, 2018, Council adopted the above noted bylaw amendments.

Business License Bylaw Update

3. On November 23, 2020, Council considered the first three readings of the Business Regulation and Licensing Bylaw No. 9040, 2020, which was proposed to replace the former Business Regulation and Licensing Bylaw No. 7851, 2007. The purpose was to reduce the number of license types, include options for vehicles for hire, and introduce prorated annual fees for new applications. This amendment did not include any updates to the business license fees.
4. On December 7, 2020, Council adopted Business Regulation and Licensing Bylaw No. 9040, 2020
5. Business license fees were researched in comparison to our peer municipalities in 2020 and were initially to be addressed as ‘phase 2’ of the bylaw amendment. COVID19 delayed the new fees from being presented to Council for consideration.

Comprehensive Fees and Charges Update

6. Business license fees were re-reviewed in comparison to our peer municipalities in 2023:
 1. Kamloops – Cannabis Sales \$5,000.00
 2. Chilliwack – Cannabis Sales \$2,500.00
 3. Abbotsford - Cannabis Sales \$2,500.00
 4. Coquitlam - \$1,000.00
 5. Victoria - \$1,500
 6. Nanaimo – \$165.00 (adopted a flat fee model in 2021)
 7. Kelowna – retail ranges based on GFA \$140-1,500
7. On July 26, 2023, proposed new rates were presented to the Standing Committee on Finance and Audit. This included increases to “Schedule A-2 Business Licenses” for “Retail, Cannabis” by 25% from \$1,000 to \$1,250 in 2024; \$1,562.50 in 2025; and \$1,953.13 in 2026, followed by a 3% increase annually.
8. On August 28, 2023, the Standing Committee on Finance and Audit presented first three readings of the Comprehensive Fees and Charges Bylaw No. 7557, 2004, Amendment Bylaw No. 9420, 2023, and was later adopted on September 11, 2023.

Comparatively “Retail, Liquor” was previously \$280.00 annually. The proposed new rates were increased by 12% from \$280.00 to \$313.60 in 2024; \$351.23 in 2025; \$393.38 in 2026, followed by a 3% increase annually.

Respectfully Submitted,



Councillor Kyle Sampson



Councillor Ron Polillo

The date for this motion to be considered is at the January 8, 2024 open council meeting.