

## Licensing and Permitting – Fee Increases 2024/2025

### RECOMMENDATION

That the City Solicitor be instructed to draft the appropriate bylaw amendments to facilitate the licence application fees, as outlined in this appendix, relating to Bylaw No. 9011, The Adult Services Licensing Bylaw; Bylaw No. 9525, The Cannabis Business Licence Bylaw; Bylaw No. 9651, The Vehicles for Hire Bylaw; and Bylaw No. 9746, The Business Licence Bylaw.

### ISSUE

All business licence programs maintained by Community Standards are fully funded through business licence application fees. There is no support from the mill rate to operate the programs. Increases to licence application fees are required to ensure all programs continue to fully recover all operating expenses without mill rate support.

### BACKGROUND

The Business Licence Program has been in operation since 1997. Application fees for commercial and home-based businesses have only been increased once in the program's history. In 2015 fees for new applications were increased from \$95 to \$125, and fees for renewal applications were increased from \$70 to \$85.

Taxi licence fees were most recently increased in 2016, from \$375 to \$525. Taxi driver licence fees and taxi brokerage licence fees were not increased at that time.

The Adult Service Licensing Program and Cannabis Business Licence Program began in 2012 and 2018 respectively; fees for these programs have never been increased.

City Council, at its Regular Business [meeting](#) held on June 28, 2023, resolved to request that the City Solicitor prepare amendments to all business licensing bylaws to accommodate changes required to implement the new e-Permitting licensing software. These amendments included new fees for change of business location and change of licence type; however, these amendments have not yet been made, as the new software is not yet operational, with software launch dates anticipated in early 2024.

Currently licensees wishing to change their business location must apply and pay for a new licence, however once the new software is operational, licensees will be able to change their business location without applying for a new licence and will be able to pay to make certain changes to licence type. The new proposed fees for change of business location are equivalent to the difference between the cost of a new licence and the cost of a licence renewal.

## DISCUSSION/ANALYSIS

### Bylaw No. 9011, Adult Services Licensing Bylaw

The following amendments to the fee are recommended.

| <b>Licence Type</b>                       | <b>Existing Fee</b> | <b>2024/2025 Proposed Fee</b> |
|---|---------------------|-------------------------------|
| Adult Service Agency (New)                | \$500               | \$550                         |
| Adult Service Agency (Renewal)            | \$200               | \$220                         |
| Adult Service Agency (Change of Location) | \$300 <sup>1</sup>  | \$330                         |
| Independent Agency (New)                  | \$250               | \$275                         |
| Independent Agency (Renewal)              | \$100               | \$110                         |
| Independent Agency (Change of Location)   | \$150 <sup>1</sup>  | \$165                         |
| Performer/Worker (New)                    | \$250               | \$275                         |
| Performer/Worker (Renewal)                | \$100               | \$110                         |
| Transient Independent Agency (New)        | \$250               | \$275                         |
| Transient Independent Agency (Renewal)    | \$100               | \$110                         |
| Change in Licence Type                    | \$150 <sup>1</sup>  | \$165                         |

<sup>1</sup>Denotes revised fee schedule that has not yet been implemented.

### Bylaw No. 9525, Cannabis Business Licence Bylaw

The following amendments to the fees are recommended.

| <b>Licence Type</b>   | <b>Existing Fee</b> | <b>2024/2025 Proposed Fee</b> |
|---|---------------------|-------------------------------|
| Cannabis Production Facility (New)  | \$500               | \$550                         |
| Cannabis Production Facility (Renewal)                                      | \$ 85               | \$ 95                         |
| Cannabis Retail Store (New)   | \$500               | \$550                         |
| Cannabis Retail Store (Renewal)   | \$ 85               | \$ 95                         |
| Cannabis Production Facility and Cannabis Retail Store (Change of Location) | \$415 <sup>1</sup>  | \$455                         |

<sup>1</sup>Denotes revised fee schedule that has not yet been implemented.

### Bylaw No. 9651, Vehicles for Hire Bylaw

The following amendments to the fee are recommended.

| <b>Licence Type</b>     | <b>Existing Fee</b> | <b>2024 Proposed Fee</b> | <b>2025 Proposed Fee</b> |
|-------------------------|---------------------|--------------------------|--------------------------|
| Taxi Licence            | \$525               | \$550                    | \$625                    |
| Enterprise Taxi Licence | \$350               | \$550                    | \$625                    |
| Taxi Broker Licence     | \$305               | \$500                    | \$950                    |
| Taxi Driver             | \$ 35               | \$ 50                    | \$ 70                    |

Bylaw No. 9746, Business Licence Bylaw

The following amendments to the fee are recommended.

| <b>Licence Type</b>                | <b>Existing Fee</b> | <b>2024/2025 Proposed Fee</b> |
|------------------------------------|---------------------|-------------------------------|
| Commercial (New)                   | \$125               | \$135                         |
| Commercial (Renew)                 | \$ 85               | \$ 95                         |
| Home Based (New)                   | \$125               | \$135                         |
| Home Based (Renew)                 | \$ 85               | \$ 95                         |
| Short Term Rental Property (New)   | \$125               | \$135                         |
| Short Term Rental Property (Renew) | \$ 85               | \$ 95                         |
| Homestay (New)                     | \$125               | \$135                         |
| Homestay (Renew)                   | \$ 85               | \$ 95                         |
| Mobile Food Trucks                 | \$500               | \$550                         |
| Vending Cart                       | \$100               | \$110                         |
| Pawnshop (New)                     | \$500               | \$550                         |
| Pawnshop (Renew)                   | \$250               | \$275                         |
| Pawnshop (Change of Location)      | \$250 <sup>1</sup>  | \$275                         |

<sup>1</sup>Denotes revised fee schedule that has not yet been implemented.

Engagement

Administration met with the members of the Combined Business Group in June 2023 to discuss the cost recovery objective of the business licence program and the increase in application fees that would be required to ensure project program expenses do not exceed revenue. At this time, no correspondence opposing the fee increase has been received.

Administration has been engaging with the taxi industry on the Enterprise Taxi Licence Program throughout 2023. As part of this process, the taxi industry was advised that an application fee increase will be required to ensure the program can continue to meet its cost recovery objective. The detailed proposed fee scheduled for 2024 and 2025 was shared with the taxi industry in October 2023.

**FINANCIAL IMPLICATIONS**

There are no mill rate implications. The business licence programs outlined in this report are fully funded through licence application fees.

The Business Licence and Vehicles for Hire stabilization reserves are in place to ensure there is no mill rate impact result from any of the business licence programs. Should licensing revenue exceed expenses in the future, the balance will be held in the stabilization reserve to address any future budget shortfalls.

As a result of minor increases in operating expenses since the time of previous fee increases, if application fees are not increased, the cost to operate the program will exceed revenue from licence fees in 2024 and 2025.

## **OTHER IMPLICATIONS**

There are no other implications.

## **NEXT STEPS**

Upon approval by City Council, the City Solicitor will amend the bylaws for an effective date of January 1, 2024 to reflect the new fee schedule, except for fees associated with change of location and change of licence application types.

Once the new e-Permitting software is operational, which is anticipated to occur sometime in early 2024, the City Solicitor will amend the bylaws again to incorporate approved fees for changes to business location and changes to licence type.

Business Line: Urban Planning and Development

SP/2023/CS/Budget/Proposed Business Licence Fee/sk