



Staff Report to Council

Planning and Development

FILE: : 09-3900-02/26

REPORT DATE: February 04, 2026 **MEETING DATE:** February 24, 2026

TO: Mayor and Council

FROM: Chantal Gemperle, Manager of Building & Bylaw Services

SUBJECT: Business Licensing and Regulation Bylaw No. 3039, 2026

CHIEF ADMINISTRATIVE OFFICER REVIEW/APPROVAL: M. Roberts / February 19, 2026

RECOMMENDATION(S):

THAT Council:

- A. Grant first, second and third readings to Business Licensing and Regulation Bylaw No. 3039, 2026 as presented at the February 24, 2026 Council meeting; AND
 - B. Direct Staff to give public notice of Council’s intention to adopt Business Licensing and Regulation Bylaw No. 3039, 2026, in accordance with section 59 of the *Community Charter*;
 - C. Grant first, second and third readings to Bylaw Notice Enforcement Amendment Bylaw No. 3041, 2026 as presented at the February 24, 2026 Council meeting; OR
 - D. Other.
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PURPOSE

To present Council with a new Business Licensing and Regulation Bylaw to update existing regulations, add new regulations, and adjust certain licensing fees.

Information Report Decision Report Direction Report

DISCUSSION

Background:

The City's Business Licensing and Regulation Bylaw (the "Bylaw") helps ensure that businesses operate in a safe, responsible, and lawful manner, which helps to support the health and well-being of the community. By requiring businesses to be licensed, the City can better monitor compliance with the regulations of the City and other agencies (e.g., the BC Building Code and Fire Code).

The Bylaw was last comprehensively updated in 2014. With that said, the Bylaw has been amended several times since 2014, generally to integrate housekeeping updates and regulations for businesses that were not previously contemplated (e.g., cannabis production and retail sales).

A comprehensive review of the Bylaw was identified as a key initiative in the Building and Bylaw Services Division 2025 and 2026 Business Plans.

On October 2, 2025, the proposed Bylaw updates were presented to Economic Development Advisory Committee, and to the Agricultural Advisory Committee on November 13, 2025. Committee feedback has been taken into consideration and incorporated into the proposed Bylaw.

Relevant Policy, Bylaw or Legislation:

The *Community Charter* provides the general authority for the City to regulate business.

Analysis:

Staff have undertaken a detailed review of the current Business Licensing and Regulation Bylaw, and have identified a number of proposed revisions, generally with a view of: updating existing regulations to better reflect current conditions and trends; integrating new regulations that address matters of potential community concern; and updating licence fees to ensure the ongoing financial sustainability of the licensing program.

A summary of the changes proposed by Business Licensing and Regulation Bylaw No. 3039, 2026 (Attachment A) is provided below. Given the number of proposed updates, Bylaw No. 3039, 2026 repeals and replaces current Business Licensing and Regulation Bylaw No. 2643, 2014. A comparison between the current and proposed Bylaw (with redline tracked changes) is included as Attachment B.

1. Updates to Existing Regulations

The following updates to the existing business regulations are intended to better reflect current conditions and trends.

a) Amusement Arcades & Billiard Halls

The Bylaw currently indicates that the operation of an amusement arcade or billiard hall as a principal use is not permitted. In other words, these uses are only permitted as an accessory use to another principal use (e.g., an arcade within a movie theatre). As the Zoning Bylaw is the more appropriate bylaw to regulate land use, it is recommended that this provision be removed from the Business Licensing and Regulation Bylaw. It is noted that the Zoning Bylaw currently prohibits an amusement arcade as a principal use, but does not currently prohibit a billiard hall as a principal use. Should Council wish to prohibit a billiard hall as a principal use, it is recommended that Council direct staff to bring forward the necessary Zoning Bylaw amendment.

The Business Licensing and Regulation Bylaw also includes regulations related to amusement arcades and billiard halls that are challenging to enforce, inconsistent with requirements for comparable indoor recreation and entertainment uses, and may no longer be needed in light of current conditions. These provisions generally reflect a historical regulatory approach to such establishments, rather than contemporary operating practices. Specifically, the Bylaw currently includes requirements to prevent loitering, post signage with premises rules, keep the premises well lit and clean, and not allow persons under the age of 18 between certain hours. Today, such establishments typically operate in a manner comparable to other indoor commercial recreation uses and are subject to broader regulatory frameworks (e.g., building, fire, health and liquor regulations) that address matters such as safety, occupancy and public conduct. As such, it is recommended that these requirements be removed from the Bylaw, while retaining existing regulations related to the hours of operation (7am to 12am) and restrictions on window coverings. For clarity, any amusement arcade or billiard hall licensed under the Liquor Control and Licensing Act would also be subject to the proposed regulations for licensed establishments described in Section 1(d) of this report.

b) Dog Daycare

Currently, the Bylaw permits a dog daycare to operate between the hours of 7:00am and 7:00pm, Monday through Saturday only. Extending this allowance to include Sunday is proposed, as it would better reflect the needs of the community, as many pet owners require care options on weekends due to work, travel, or personal commitments. Allowing Sunday operations would also provide greater scheduling flexibility for staff, help balance workloads, and ensure that dogs receive consistent care throughout the entire week.

It is noted that, in accordance with the Zoning Bylaw, a dog daycare differs from a kennel in that it provides daytime care and services for dogs but does not allow overnight boarding. A dog daycare use is permitted in various commercial and other zones, as well as a home-based businesses (limited to two dogs), whereas a kennel use is only allowed in agricultural zones.

c) Farmers Market

To align with provincial regulations, it is proposed to allow for the sale of packaged liquor at farmers markets. In British Columbia (BC), licensed liquor manufacturers can sell packaged liquor and offer samples at farmers markets. The Liquor and Cannabis Regulation Branch (LCRB) oversees the process and regulations. This initiative provides small-scale producers with a direct-to-consumer sales channel and a chance to receive customer feedback. The addition of

liquor vendors offers a wider variety of products to shoppers, making the farmers market a more comprehensive experience.

d) Licensed Establishments

Currently, the Bylaw requires licensed establishments (i.e., premises licensed under the Liquor Control and Licensing Act) to post signs warning of prenatal alcohol exposure (see section 4.8 of the current Bylaw). A number of updates are proposed to further regulate licensed establishments, by requiring that the person operating the business to:

- Regulate patron behaviour inside and outside the establishment, including noise and nuisance behaviour;
- Maintain the condition of the establishment and surrounding area (e.g., exterior appearance and clean up of litter);
- Display educational information about responsible consumption of liquor (broadening the current requirements related to prenatal alcohol exposure warning signs);
- Not permit the sale or service of liquor between the hours of 2:00am and 9:00am on any Tuesday, Wednesday, Thursday, Friday, Saturday, and Sunday; and
- Not permit sale or service of liquor between the hours of 1:00am and 9:00am on any Monday, except on New Years Day not permit the sale or service of liquor between the hours of 2:00am and 9:00am.

e) Nightlife Venue

In addition to the proposed updated regulations for licensed establishments, the following updates are proposed for nightlife venues (currently referred to as a cabaret in the Bylaw):

- Removal of the regulation that prohibits the price of alcoholic beverages to be changed more than once in any calendar month; and
- Alignment of the liquor service hours with other licensed establishments (see above).
 - Currently, nightlife venues are not permitted to be open to patrons between the hours of 12:00 am and 4:00 pm on Sunday and the hours of 2:00 am and 4:00 pm on all other days.

f) Cannabis Production

The cannabis production regulations in the current Bylaw have been challenging to enforce, as many of the provisions are already addressed through federal legislation. To reduce overlap and improve effectiveness, staff are recommending changes that simplify the City's regulations, to provide for enhanced administration and enforcement, while still ensuring compliance with federal standards.

The proposed Bylaw regulations would include the following requirements for cannabis production:

- The operator holding a valid licence issued by the Government of Canada;
- Any building or structure meeting exhaust system standards designed by a professional engineer; and
- The provision of a maintenance and air quality monitoring program.

2. New Regulations

The following new regulations are intended to address matters that may be of community concern.

a) Tobacco, Vapour & Drug Paraphernalia

The proposed updates would extend some of the existing regulations on tobacco to include vapour products and drug paraphernalia.

Under the proposed regulations, businesses would be prohibited from advertising or promoting tobacco, vapour products, or drug paraphernalia in any manner visible or audible to the public outside the premises.

Businesses in which minors are permitted would not be allowed to display drug paraphernalia in ways that are visible from inside or outside the premises. Limited in-premises advertising of drug paraphernalia would be permitted, restricted to one sign at each point-of-sale system, showing only the types of items for sale and their prices or price ranges.

These changes aim to reduce public exposure to tobacco, vapour products, and drug paraphernalia, particularly protecting youth and the general public from inadvertent promotion. It is noted that Provincial regulations do not prohibit the advertisement of the sale of tobacco, vapour products, or drug paraphernalia; the proposed Bylaw would establish stronger local controls to address visibility and promotion within the community.

b) Events in the ALR

To enhance clarity and enforceability, the Bylaw updates are proposed to include specific restrictions on noise and temporary structures associated with events.

Under the proposed provisions, noise levels must be minimized after 10:00pm Sunday to Thursday and 11:00pm Friday and Saturday, or any day before a statutory holiday, with amplified music or other disruptive sounds prohibited beyond this time. Additionally, any temporary structures erected for the event must be dismantled and removed within 48 hours following the conclusion of the final approved event, ensuring that such structures do not remain on site beyond the permitted timeframe.

These measures aim to balance the needs of event organizers with those of surrounding residents, and the preservation of community character.

3. Licence Fees

The following licence fee updates are intended to ensure the ongoing financial sustainability of the licensing program. It is noted that, with only some exceptions for specific business categories, the City's licence fees have not been updated since 2009.

a) Fees for New Licence Application

A business requires a business licence, including the payment of the licence fee, each year. Currently, the fee in the Bylaw for a new business licence application is the same as the fee for a business licence renewal. The fees vary depending on the type of business.

Recognizing the additional staff review and administration needed for a new licence application (in comparison to a renewal), staff propose introducing a fee structure that distinguishes between new business licenses and renewals. With that, a 20% increase to the current fee for new business licenses is proposed. It is also recommended that the current \$25 administration fee for new licences, which is credited towards the fee for approved licences, be increased to \$50, in order to better account for the staff review and administration of all new licence applications. It is proposed that licence fees for renewals remain as they are currently , meaning that annual licence fees for current businesses will remain unchanged since 2009.

b) Fees for Specific Categories

Certain types of business necessitate an increased level of staff review, particularly those that require coordination with other government agencies. With that, staff propose some fee changes for certain business categories as follows:

Business Category	Current Fee	Proposed Initial Fee	Proposed Renewal Fee
Cannabis Retail	\$157.00	\$1,800.00	\$157.00
Food Primary Licence Establishment	\$157.00	Up to 30 Occupants \$250.00 Over 30 Occupants \$700.00	Up to 30 Occupants \$157.00 Over 30 Occupants \$157.00
Liquor Primary Licence Establishment	\$157.00	Up to 30 Occupants \$250.00 Over 30 Occupants \$700.00	Up to 30 Occupants \$157.00 Over 30 Occupants \$157.00
Restaurant/Cafe	\$157.00	\$250.00	\$157.00
Child Care	\$138.00	\$250.00	\$138.00

With respect to the proposed initial licence fees for food primary and liquor primary establishments, a differentiated fee structure is recommended based on occupant load (as shown in the table above). Establishments with an occupant load exceeding 30 persons are subject to additional building and life safety requirements, which results in a more comprehensive licensing review process.

c) Fees for a Licence Issued after June 30

Staff proposed to eliminate the current 50% mid-year discount for licences issued after June 30. This practice is no longer reflective of the actual cost of service delivery. Regardless of when an application is submitted—whether before or after June 30—the administrative effort required to process, review, and issue a business licence remains the same.

d) Secondary Suite Licence Fee

The current Bylaw requires that a \$10 annual business licence fee be paid by property owners with secondary or garden suites. When suites were first legalized in the City in 2011, the initial purpose of that fee was for property owners to confirm annually that they were continuing to comply with the suite regulations in the City's Zoning Bylaw (i.e., the property owner must live in the home or have a local property management company on file with the City to handle any issues). However, over time, it has become apparent that the administrative burden of sending out annual notices and reminders for a \$10 fee does not account for the actual costs (staff time) in receiving the \$10 fee. The proposed change is to remove the \$10 annual business licence fee for secondary and garden suites.

Secondary and garden suites will continue to be permitted and reviewed through the suite registration process, including charging an additional fee on the annual property taxes for suites. If a suite is found to be non-compliant with a Bylaw, the City remains able to enforce that bylaw through the normal bylaw enforcement process.

4. Housekeeping

In addition to the proposed updates described above, the revised Bylaw incorporates a number of housekeeping amendments, including amendments to eliminate redundant regulations (e.g., provisions captured in other City bylaws or Provincial regulations). As noted above, a comparison between the current and proposed Bylaw (with redline tracked changes) is included as Attachment B.

Public Notice:

Under section 59 of the *Community Charter*, the City must provide public notice prior to adopting a new business regulation bylaw, and provide an opportunity for the public to make representations to Council. The public notice may be provided in a form and manner that Council considers reasonable.

In this case, it is recommended that the public notice be posted in City Hall and published in the local newspaper for two consecutive weeks (in keeping with section 94 of the *Community Charter*), and posted on the City website. It is recommended that the notices in City Hall and on the website and the first newspaper notice be published at least 10 days before the meeting date where Council considers adoption of the Bylaw. The notice would advise the public how written and oral submissions may be provided.

Bylaw Notice Enforcement Bylaw Update:

The Bylaw Notice Enforcement Bylaw serves as the City's main mechanism for issuing fines related to specific bylaw offences. Schedule A of the bylaw identifies the designated contraventions and corresponding penalties. In this Schedule, City bylaws that can levy a fine through bylaw notices are currently listed individually, along with the specific infraction from the bylaw and associated fine amount.

Bylaw Notice Enforcement Amendment Bylaw No. 3041, 2026 (Attachment C) updates the contraventions and section references in Schedule A of the Bylaw Notice Enforcement Bylaw to align with the changes proposed by Business Licensing and Regulation Bylaw No. 3039, 2026.

COUNCIL STRATEGIC PLAN ALIGNMENT

- Principled Governance Balanced Economic Prosperity Infrastructure
 Community Spirit & Wellbeing Corporate Pride Public Safety
 Not Applicable
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WORKPLAN IMPLICATIONS

- Already accounted for in department workplan / no adjustments required
 Emergent issue / will require deferral of other priority(ies)
 Other
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FINANCIAL IMPLICATIONS

- None Budget Previously Approved Referral to Business Planning
 Other

The proposed Bylaw changes will help to ensure that the revenues from business licence fees remain adequate to cover the resources necessary to administer the City’s licensing program. The proposed fees for new licences are expected to result in a positive, though modest, financial impact for the City.

PUBLIC PARTICIPATION

- Inform Consult Involve Collaborate Empower

Public notice is required in accordance with section 59 of the *Community Charter*. Refer to the content above for additional information regarding the recommended public notice.

KATZIE FIRST NATION CONSIDERATIONS

- Referral Yes No Other
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SIGN-OFFS

Written by:

Chantal Gemperle,
Manager of Building & Bylaw Services

Reviewed by:

Patrick Ward,
Director of Planning & Development

ATTACHMENT(S):

- A. Business Licensing and Regulation Bylaw No. 3039, 2026
- B. Comparison between the current and proposed Business Licensing and Regulation Bylaw (with redline tracked changes)
- C. Bylaw Notice Enforcement Amendment Bylaw No. 3041, 2026