

April 7, 2021

Mayor and Council

City of Vernon

3400 30th Street

Vernon, BC

Your Worship and Council

The Greater Vernon Chamber of Commerce is writing to express concerns about business license fees and how they impact a specific segment of the business community.

Specifically, we question why the business license fee for retail cannabis operations is \$2,000 annually when the fee for a similar sized liquor store is \$185 and \$135 annually for any other similar sized business designated RB2-Residential Business?

In a recent media interview, a City representative stated that, “City fees are supposed to be commensurate with the cost to provide the service. The service process required a great deal of staff time through various departments, including planning, building and licensing, bylaws, and sometimes fire, which led to the fee that was recommended.” The reality, though, is that the heavy lifting has already been done in terms of city staff establishing a process to approve retail cannabis operations and to annually charge \$2,000 for a license renewal is simply arbitrary and unreasonable. In Penticton, the annual business license fee for all retail stores, including cannabis, is \$180.

Unless the city can demonstrate that retail cannabis shops place undue financial pressure on city resources such as policing or bylaw compliance, then there is no justification for \$2,000 a year, particularly at a time when our community and economy depend on recovery from the pandemic. Maintaining such a high

business license fee could threaten the viability of entrepreneurs and employment opportunities.

We would respectfully request that council instruct administration to initiate an immediate review of business licensing fees for retail cannabis stores and that administration report back to council with recommendations as soon as possible.

Thank you for your time and we look forward to hearing from you.

Sincerely,



Krystin Kempton, President  
Greater Vernon Chamber of Commerce

CC. Spiritleaf Vernon



COPY

March 1, 2021

His Worship, Mayor Victor Cumming  
City of Vernon  
3400 30St  
Vernon, BC  
V1T 5E6

Dear Mayor Cumming,

Cannabis was legalized October 17, 2018 and I successfully obtained a license from The Province of British Columbia and the City of Vernon opening the first legal store in the Okanagan on July 1, 2019. Owning and operating this business has been a wonderful experience, we have been welcomed by the community and I'm really looking forward to the future of this industry.

Cannabis licensing has reached a point of saturation within The City of Vernon and with the moratorium on new licenses, a cap on stores and distance requirements being discussed there isn't room for many more stores, essentially halting the growth of cannabis retail here in Vernon.

As you know, the Cannabis Retail Application fee for the City of Vernon is \$5000 and the Cannabis Business Licensing fee is set at \$2000/annually. This fee is much higher than any other business licensing fee in Vernon. The initial work of city staff and council is complete, keeping the fee high is unreasonable. As a licensee in good standing with both the LCRB and the City of Vernon I would like to request a review of the fees, and a decrease of the Annual Cannabis Licensing Fee. As an example, if I were any other business given the size of my location according to the [Business Licence Fee Schedule](#) I would be considered RB2-Resident Business (101-300 sq meters) \$135/annually for a business license, attaching a surcharge similar to the Liquor Primary/Food Primary would add an additional (101-300 sq meters) \$50/annually for an est total of \$185. This rate is significantly lower and aligning the fee would be beneficial to my business.

I hope you will consider my request to the lower the fees and review with council as well as city staff in the near future.

I can be reached anytime at [sarah.ballantyne@spiritleaf.ca](mailto:sarah.ballantyne@spiritleaf.ca) or 250-938-0257.

Thank you,

A handwritten signature in black ink that reads "Sarah Ballantyne".

Sarah Ballantyne  
Owner, Spiritleaf Vernon

Thank you for your time and we look forward to hearing from you.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Krystin Kempton', is written over a light blue horizontal line.

Krystin Kempton, President  
Greater Vernon Chamber of Commerce

CC. Ga