

DATE OF MEETING December 2, 2024

AUTHORED BY PAYTON CARTER, PLANNER, CURRENT PLANNING

SUBJECT CITY OF NANAIMO LIQUOR LICENCE REVIEW POLICY – COU-245

OVERVIEW

Purpose of Report:

To present Council with the draft City of Nanaimo Liquor Licence Review Policy for approval.

Recommendation:

That Council approve the City of Nanaimo Liquor Licence Review Policy COU-245.

BACKGROUND

Discussions surrounding existing City of Nanaimo practices for the processing of liquor applications have occurred at various Council Meetings in recent months. Current City process for certain types of liquor licence applications involves multiple requests to Council for direction and public notification beyond the legislative requirements of the Provincial *Liquor Control and Licensing Act* (the “LCLA”). Staff have identified an opportunity to formalize and streamline the existing application review process through the establishment of a Council Policy. The intent of this policy is to improve application procedures. Other criteria for Council's consideration for liquor licence applications are addressed separately through the Liquor Control Strategy.

Under the LCLA, the Liquor and Cannabis Regulation Branch (the “LCRB”) is required to seek comments and recommendations from the applicable local government prior to the approval of any of the following liquor licence types:

- New Liquor Primary Licence;
- Temporary or Permanent Change to Existing Liquor Primary Licence;
- Manufacturers' Licence;
- Permanent Change to Existing Food Primary, including:
 - Patron Participation Endorsement;
 - Temporary Use Area Endorsement; and,
 - Change of Hours.

Each application is referred to the City and undergoes interdepartmental and RCMP review, as well as public consultation where required. Following the City review process, a recommendation is provided to the LCRB, who regulates licensing and provides final approval. The LCRB must consider the local government's comments and recommendations when deciding to issue or amend a liquor licence.

DISCUSSION

Staff have prepared a draft Council Policy (Attachment A). The policy establishes a framework for how Staff respond to notices of applications received from the LCRB.

Current City practices require the above-noted liquor licence application types to be presented at three separate Council Meetings prior to Council providing a formal recommendation on the application.

- *Meeting 1:* Council is provided the opportunity to opt-out of providing comment on the application.
- *Meeting 2:* A Public Meeting is held to gather public comments.
- *Meeting 3:* Council consideration of the application occurs.

The LCLA permits local governments to opt out of providing comment to the LCRB on liquor applications. However, opting out would impact approval timelines for businesses, as the LCRB would then need to conduct their own review and consultation, which could considerably extend the application timeline. While Council has had the option to opt out, Staff have recommended that Council not opt out of providing comment to the LCRB, and Council has maintained a practice of commenting on applications. The endorsement of the proposed policy would formalize Council's practice of providing comments on all liquor applications forwarded to the City for comment.

In addition to the Public Meeting, Staff currently prepare a newspaper paper advertisement and mail out notices to solicit public comments. The applicable legislation allows local governments to decide how to gather comments. As most public comments are received in response to the mailed-out notices, Staff proposed to simplify the public consultation process to require mail-out notices only. This will further streamline the public consultation process and achieve the notification requirements of the legislation.

Temporary changes to existing Liquor Primary Licences do not require public consultation and in some instances, can be delegated to the Director of Planning & Development for decision. These application reviews would remain unchanged by this policy. The proposed policy does not apply to applications that require a rezoning application, such as the establishment of Liquor Retail Stores or Wine Stores, which are addressed through Licensee Retail Stores Rezoning Criteria and the Wine Store Rezoning Criteria. These rezoning applications would continue to be brought forward to Council for approval.

The draft Council Policy meets the requirements of the LCLA to gather the views of residents and adheres to the prescribed time period for application processing (90 days). The draft policy would require one meeting of Council for consideration of liquor licence applications, whereas three meetings of Council are currently required. The proposed policy will streamline the process for applicants and reduce timelines while maintaining an opportunity for Council to review and comment on liquor licence applications. |

OPTIONS

1. That Council approve the City of Nanaimo Liquor Licence Review Policy COU-245.
 - The advantages of this option:

- The requirements of the *Liquor Control and Licensing Act* will be met without onerous City or applicant resources.
 - The approval timelines for liquor applications will be reduced and streamlined.
 - A reduction in Council's time spent considering applications.
- The disadvantages of this option:
 - None identified.
 - The financial implications:
 - None identified.
2. That Council not approve the draft City of Nanaimo Liquor Licence Review Policy COU-245.
- The advantages of this option: None identified.
 - The disadvantages of this option: The existing practice for public consultation and frequent requests for Council direction will continue.
 - The financial implications: None identified. |

SUMMARY POINTS

- The LCRB is required to seek comment from the applicable local government prior to the approval of various liquor application types.
- Current City practice required frequent requests for Council direction and public notification beyond the requirements of the applicable legislation.
- The proposed Council Policy COU-245: Liquor Licence Review Policy meets the requirements of the *Liquor Control and Licensing Act* to gather the views of residents and provide comment.
- The proposed policy will act to remove regulatory barriers for businesses and reducing timelines for approvals.

ATTACHMENTS

ATTACHMENT A: Draft City of Nanaimo Liquor Licence Review Policy COU-245 |

Submitted by:

Lainya Rowett
Manager, Current Planning |

Concurrence by:

Jeremy Holm
Director, Planning & Development |