



To: General Purposes Committee
From: Marcia Freeman
 Manager, Business Liaison & Development
Re: **Business Licence Fee Increase**

Date: November 29, 2001
File: 4150-01

Staff Recommendation

That Bylaw No. 7315 which adjusts business licence fees effective January 1, 2002, and amends Business Licence Bylaw No 6901, be given first, second and third readings.

Marcia Freeman
Manager, Business Liaison & Development

Att.

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ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Law.....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	

Staff Report

Origin

In April 2001 the City initiated a Business Licence Process Review project. The review focused on improving customer service, streamlining processes, increasing efficiencies through better use of technology, eliminating redundancies and improving response times. A review of the existing business licence fee schedules was a component of the project.

Analysis

Business licence fees are currently set by Council in the Business Licence Bylaw No. 6901 schedules "A" and "B". The last fee review and was conducted in 1997 and resulted in the following increases for the 1998 Licence year.

- a) The basic licence fee was increased from \$87.00 to \$100.00 (14.9%).
- b) All other business licence fees were increased by 1% rounded up to the next whole dollar.

There have been no fee increases in each of the past four years.

Since 1997 the business licence department has seen a variety of increases in the cost of issuing business licences and providing ongoing enforcement of the Business Licence and Business Regulation Bylaws. Some of the increased costs include:

- . salaries and basic operating overhead expenses,
- . upgrades or replacements of outdated equipment,
- . new partnerships with the Community Safety Division, in particular the RCMP, which have led to increased off-hours enforcement; and
- . reduced or eliminated resources through senior levels of government including: the Provincial Health Unit, Liquor Control Branch and Motor Carrier Branch (now ICBC) which have led to increased responsibilities for municipal licencing departments.

In light of these increases City staff are recommending an increase of 3%, rounded up to the nearest whole dollar, to all business licences effective January 1, 2002.

Financial Impact

The City will realize increased revenues of approximately \$66,000 for the licence year of 2002.

Conclusion

The proposed amendment to the Business Licence Bylaw No. 6901 and the resulting business licence fee increase will more accurately reflect the costs associated with the service provided while minimizing the impact on local businesses.

Marcia Freeman
Manager, Business Liaison & Development

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Business Licence Bylaw No. 6901, Amendment Bylaw No. 7315

The Council of the City of Richmond enacts as follows:

- Schedule A to Bylaw No. 6901 is deleted in its entirety and substituted with the following:

SCHEDULE A to BYLAW NO. 6901

ASSEMBLY USE							
GROUP 1				GROUP 2		GROUP 3	
Business Licence Fee assessed by Square Metres, with the exception of Mobile Vendors (Food) which are assessed a fee of \$63 per vehicle, and with the exception of Food Caterers which are assessed a fee in accordance with Group 3. *(Bylaw 7006)				Business Licence Fee assessed by number of Seats with the exception of Class "B" Limited Establishment, which is assessed a flat fee of \$210.		Business Licence Fee assessed by number of Employees	
Sq. M.	Sq. Ft. to Sq. M.	Sq. Ft.	Fee	Seats	Fee	Employees	Fee
0.0	(0) to 93.0	(1,000)	\$129	0 to 30 seats	\$412	0 to 5	\$103
93.1	(1,001) to 232.5	(2,500)	\$196	31 to 60 seats	\$819	6 to 10	\$175
232.6	(2,501) to 465.0	(5,000)	\$340	61 to 90 seats	\$1,231	11 to 15	\$252
465.1	(5,001) to 930.0	(10,000)	\$546	91 to 120 seats	\$1,643	16 to 25	\$376
930.1	(10,001) to 1,860.1	(20,000)	\$968	121 to 150 seats	\$2,050	26 to 50	\$546
1,860.2	(20,001) to 2,790.1	(30,000)	\$1,385	151 to 180 seats	\$2,462	51 to 100	\$788
2,790.2	(30,001) to 3,720.2	(40,000)	\$1,808	181 to 210 seats	\$2,869	101 to 200	\$1,112
3,720.3	(40,001) to 4,650.2	(50,000)	\$2,225	211 and over	\$3,000	201 to 500	\$1,607
4,650.3	(50,001) to 5,580.3	(60,000)	\$2,647			501 to 1,000	\$2,426
5,580.4	(60,001) and over	and over	\$3,000			1,001 and over	\$3,000

RESIDENTIAL USE		
Business Licence Fee assessed by number of Rental Units:		
Units		Fee
0	to 5	\$124
6	to 10	\$191
11	to 25	\$330
26	to 50	\$536
51	to 100	\$948
101	to 200	\$1,354
201	to 300	\$1,766
301	to 400	\$2,173
401	to 500	\$2,580
501	units and over	\$3,000

SERVICE USE		
Business Licence Fee assessed by number of Employees:		
Employees		Fee
0	to 5	\$103
6	to 10	\$180
11	to 15	\$263
16	to 25	\$386
26	to 50	\$556
51	to 100	\$809
101	to 200	\$1,138
201	to 500	\$1,648
501	to 1,000	\$2,482
1,001	and over	\$3,000

*For the purpose of assessing a licence fee, two part- time employees are counted as one full-time employee.

COMMERCIAL USE				
Business Licence Fee assessed by Square Metres:				
Sq. M.	Sq. Ft. to Sq. M.		Sq. Ft.	Fee
0.0	(0)	to 93.0	(1,000)	\$103
93.1	(1,001)	to 232.5	(2,500)	\$165
232.6	(2,501)	to 465.0	(5,000)	\$304
465.1	(5,001)	to 930.0	(10,000)	\$515
930.1	(10,001)	to 1,860.1	(20,000)	\$932
1,860.2	(20,001)	to 2,790.1	(30,000)	\$1,354
2,790.2	(30,001)	to 3,720.2	(40,000)	\$1,772
3,720.3	(40,001)	to 4,650.2	(50,000)	\$2,189
4,650.3	(50,001)	to 5,580.3	(60,000)	\$2,611
5,580.4	(60,001)	and over		\$3,000

INDUSTRIAL/MANUFACTURING USE			
Business Licence Fee assessed by number of Employees			
Employees			
0	to	5	\$124
6	to	10	\$206
11	to	15	\$288
16	to	25	\$412
26	to	50	\$577
51	to	100	\$819
101	to	200	\$1,148
201	to	500	\$1,638
501	to	1,000	\$2,457
1,001	employees and over		\$3,000

*For the purpose of assessing a licence fee, two part-time employees are counted as one full-time employee.

VEHICLE FOR HIRE BUSINESSES

1. Each Vehicle for Hire applicant must pay:

- (a) an office licence fee of \$103; and
- (b) the following per vehicle Licence Fee, based on number of vehicles;

CLASS >A= Taxicab	\$94
CLASS >B= Limousine	\$63
CLASS >C= Sightseeing Taxicab	\$94
CLASS >D= Airport Taxicab	\$94
CLASS >E= Private Bus	\$94
CLASS >I= Charter Minibus	\$94
CLASS >J= Rental Vehicle	
Group 1	\$11
Group 2	\$63
CLASS >K= Driver Training Vehicle	\$47
CLASS >M= Tow-Truck	\$94
CLASS >N= Taxicab for Persons with Disabilities	\$94

- 2. Notwithstanding the per-vehicle licence fees stipulated in Section 1, the maximum licence fee for any Vehicle for Hire business is \$3,000.
- 3. The fee for transferring a Vehicle for Hire Licence within any calendar year is \$35.
- 4. The fee for replacing a Vehicle for Hire Licence plate or decal is \$10.

VENDING MACHINE USES

Business Licence Fee assessed for each vending machine as per group:

Group 1	\$21
Group 2	\$31
Group 3	\$ 5

Business Licence Fee assessed per Banking Machine - \$98

Business Licence Fee assessed per Amusement Machine - \$21

ADULT ORIENTATED USES

(i)	Adult Entertainment Establishment	\$3,000
(ii)	Body-Painting Studio	\$3,000
	each employee	\$103
(iii)	Body-Rub Studio	\$3,000
	each employee	\$103
(iv)	Escort Service	\$3,000
	each employee	\$103

2. This Bylaw takes effect January 1, 2002.

3. This Bylaw is cited as "Business Licence Bylaw No. 6901, Amendment Bylaw No. 7315".

FIRST READING

SECOND READING

THIRD READING

ADOPTED

MAYOR

_____ _____ _____ _____ _____	<p>CITY OF RICHMOND</p> <p>APPROVED for content by originating dept.</p> <p>APPROVED for legality by Solicitor</p>
CITY CLERK	