



# City of Richmond

## Report to Committee

**To:** Community Safety Committee **Date:** January 24, 2022  
**From:** Cecilia Achiam **File:** 12-8375-03/2021-Vol  
 General Manager, Community Safety 01  
**Re:** **Business License Activity Report – 2021 Year in Review**

### Staff Recommendation

That the staff report titled “Business Licence Activity Report – 2021 Year in Review”, dated January 24, 2022, from the General Manager, Community Safety be received for information.

Cecilia Achiam  
General Manager, Community Safety  
(604-276-4122)

REPORT CONCURRENCE	
<b>ROUTED TO:</b>	<b>CONCURRENCE</b>
Economic Development	<input checked="" type="checkbox"/>
Finance	<input checked="" type="checkbox"/>
<b>SENIOR STAFF REPORT REVIEW</b>	<b>INITIALS:</b> 
<b>APPROVED BY CAO</b> 	

**Staff Report**

**Origin**

This report provides a summary of business license activity in 2021 along with a fourth quarter update of activities in the City of Richmond.

This report supports Council’s Strategic Plan 2018-2022 Strategy #1 A Safe and Resilient City:

*Enhance and protect the safety and well-being of Richmond.*

This report supports Council’s Strategic Plan 2018-2022 Strategy #7 A Supported Economic Sector:

*Facilitate diversified economic growth through innovative and sustainable policies, practices and partnerships.*

**Analysis**

Business Licence Revenue

The total revenue collected by the end of the fourth quarter in 2021 was \$4,162,783, which represented a slight increase in revenue from 2020. In 2021, the City saw an increase in new business licenses being issued (Table 1). The growth in new business licences can be seen as a positive indicator of overall economic health in Richmond.

Table 1: Revenue from Business Licences\*

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
New Businesses	1,745	1,851	1,270	1,432
Licence Revenue	\$ 4,087,165	\$ 4,171,813	\$ 4,161,591	\$ 4,162,783

\*Information may change subject to year-end adjustments and audit.

Application Processing

The licensing process ensures that businesses have received all required approvals from those organizations that regulate health and safety as well as any other municipal, provincial or federal requirements. This process is monitored to ensure that it is both timely and thorough. Staff use the following measures of performance:

- Valid Licences – this is the number of businesses with valid, paid licences.
- Expired Licences – this is the number of businesses who have not paid to renew their licence from a previous year. Staff follow up with these businesses to confirm if they have either closed or just have not paid their invoice.
- Suspended/Pending Applications – these are businesses that have applied for a new licence or for changes to an existing licence and are waiting for a review of their application. Staff work to keep this number as low as possible by prioritizing these applications.

- Total Licences – this is the total number of all licences that are either valid, expired (and being checked) or under application review.

These statistics (shown in Table 3) are measured quarterly as the numbers fluctuate throughout the year (new applications arrive daily and businesses close down) and are not annual totals.

Table 2: Number and Status of Business Licences

	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4
Valid Licences	14,039	13,670	13,586	13,481	13,341	13,586	13,558	13,792
Expired Licences	1,385	1,567	1,640	1,585	1,318	962	967	812
Suspended/Pending Applications	367	384	415	436	457	468	583	486
Total Licences	15,791	15,621	15,641	15,502	15,116	15,016	15,108	15,090

While the statistics in the table above show that the number of licenced businesses is still lower than seen in previous years, in contrast to the fourth quarter of 2020, staff have made significant progress in following up on expired licences resulting in a 48 per cent decrease or 773 fewer expired licences. Expired licences show up either because businesses have closed or because they are operating without paying for renewal of their licence.

#### Business Licence Enforcement

Beginning in 2021, as the business environment adapted to operating under multiple public health orders in effect, enforcement staff shifted to focusing on expired license follow-up as represented in Table 2 above.

The impact of evolving priorities is outlined in Table 3, which summarizes revenue from tickets issued to business. Fine revenue was up year-over-year, in part due to the efforts to address businesses operating without a licence.

Starting in the fourth quarter of 2021, the number of complaints related to the enforcement of COVID-19 public health orders began to increase with the reintroduction of business restrictions coming back into effect in the quarter. Businesses continuing to operate without a valid licence are given a warning and then issued a ticket if fees are unpaid.

Table 3: Business Licence Enforcement Revenue from Tickets

	2018	2019*	2020	2021
YTD	\$ 37,250	\$ 60,100	\$ 8,550	\$ 33,175

\*Beginning in 2020 revenue generated by short-term rental violations were tabulated with the Property Use section as Bylaw fine revenue

### Education and Enforcement Support for COVID-19 Health Orders

The number of calls to investigate, educate and enforce COVID-19 Health Orders increased in the fourth quarter of 2021. Staff answer and investigate approximately eight to twelve calls per week. Many pandemic related calls were related to out-of-date or missing Worksafe Safety plans and more recently Vaccine Passport Compliance. As a result, Licence Inspectors work with the RCMP and Health inspectors on targeted enforcement of sector specific violations.

### **Financial Impact**

None.

### **Conclusion**

This report provides an update to the Community Safety Committee on fourth quarter results for 2021 in the Business Licences department. In 2021, revenue is in line with pre-pandemic expectations and the number of total licences remains lower than in previous years. Staff have had positive results in reducing the number of expired licenses. Staff resources dedicated to enforcement of actions in contravention of COVID-19 Public Health Orders have been adjusted to reflect current needs, enabling officers to address more of their regular duties.



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