



City of Richmond

Report to Committee

To: Community Safety Committee **Date:** January 23, 2023
From: Mark Corrado **File:** 12-8375-03/2023-Vol
 Director, Community Bylaws & Licencing 01
Re: **Business Licence Activity Report – 2022 Year in Review**

Staff Recommendation

That the staff report titled “Business Licence Activity Report – 2022 Year in Review”, dated January 23, 2023, from the Director, Community Bylaws & Licencing, be received for information.

Mark Corrado
 Director, Community Bylaws & Licencing
 (604-204-8673)

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

Staff Report

Origin

This report provides a summary of business licence activity in 2022 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 preliminary business licence revenue collected by the end of the fourth quarter in 2022 was \$4,162,709, which is comparable to the prior year’s total revenue generated (Table 1). Business Licence revenue can be seen as one of multiple indicators of overall economic health in Richmond.

Table 1: Business Licence Revenue

	2019	2020	2021	2022*
Revenue	\$ 4,171,813	\$ 4,161,591	\$ 4,162,514	\$ 4,162,709

*Preliminary financial information. Information may change subject to year-end adjustment 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 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.

The statistics shown in Table 2 are measured quarterly as the numbers fluctuate throughout the year due to a variety of factors (new applications arrive daily, businesses close down and premises alterations are requested) and are not annual totals.

Table 2: Number and Status of Business Licences

	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4
Valid Licences	13,341	13,586	13,558	13,792	13,662	13,848	13,340	13,574
Expired Licences	1,318	962	967	812	1,034	1,313	2,281	2,139
Suspended/Pending Applications	457	468	583	486	741	685	771	575
Total Licences	15,116	15,016	15,108	15,090	15,437	15,846	16,392	16,288

In the fourth quarter, total licences increased from 2021 to 2022. While total valid licences increased slightly over 2021, it is anticipated that this number could rise in 2023 as staff verify the status of expired licences and properly re-classify these licences.

Table 3: New Business Licences Issued - YTD

	2019	2020	2021	2022
Total Issued	1,851	1,270	1,432	1,671

The number of new business licences issued 2022 has increased by 17 per cent compared to last year. This is a positive indicator of economic health, given inflationary pressures and other economic challenges faced by new business operators.

Business Licence Enforcement

Revenue from tickets issued for contraventions of the Business Licence Bylaw No. 7360 is outlined in Table 4. A total of 107 tickets were issued by staff in 2022. Businesses continuing to operate without a valid licence are first given a warning and the steps needed to come into compliance. Should a follow-up inspection find the business not in compliance, a bylaw violation notice is issued. Tickets can be disputed via the adjudication process and pending the adjudicators ruling, the revenue captured may change.

Table 4: Business Licence Enforcement Revenue

	2021	2022*
Revenue from Tickets	\$ 16,575	\$ 15,700

*Preliminary financial information. Information may change subject to year-end adjustments and audit

Illegal Ride-Hailing Enforcement

Throughout 2022, at the request of the Passenger Transportation Branch, the City, along with Richmond RCMP and Transit Police, conducted eight joint-operations targeting illegal ride-hailing services, with 23 drivers caught operating without the correct licences or permits. The outcome of these joint operations are highlighted in tables 5 and 6

Table 5: 2022 Total Fines Issued

Agency	YTD Fines
Passenger Transportation Branch	\$ 51,405
City of Richmond	\$ 11,000*
Total	\$ 62,405

* Preliminary financial information subject to year-end adjustments and audit and pending adjudication determination.

Table 6: 2022 Tickets Issued

Agency	YTD Tickets
Passenger Transportation Branch	85
City of Richmond	24
Total	109

Staff will continue to work with the Passenger Transportation Branch on a joint-operational basis and will continue to advocate for the Province to release comprehensive ride-hailing enforcement statistics.

Financial Impact

None.

Conclusion

This report provides an update to the Community Safety Committee on 2022 revenue and activity in the Business Licences department. Yearly revenue increased marginally but is in line with the prior year's total revenue. The increase in new licences is a positive indicator of overall economic health, given the challenging business climate. A primary focus of staff in 2023 will be the processing of applications, addressing the number of expired licences and determining their appropriate status.



Mark Corrado
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