



City of Richmond

Report to Committee

To: Community Safety Committee **Date:** August 27, 2018
From: Cecilia Achiam, MCIP, BCSLA **File:** 12-8275-01/2018-Vol 01
General Manager, Community Safety
Re: **Business Licences Quarterly Report – Second Quarter 2018**

Staff Recommendation

That the staff report titled “Business Licences Quarterly Report – Second Quarter 2018”, dated August 27, 2018, from the General Manager Community Safety be received for information.

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

Att. 1

REPORT CONCURRENCE	
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS:
APPROVED BY CAO 	

Staff Report

Origin

This report provides a quarterly summary of activities in support of the regulation of business licences in the City of Richmond and supports Council's 2014-2018 Term Goal #8 Supportive Economic Development Environment:

8.1. Richmond's policies, programs, and processes are business-friendly.

Analysis

Business Licence Revenue

Revenue from all businesses licences is showing consistent growth over past years and is currently 9 per cent higher than it was at the end of the second quarter in 2017. The number of new businesses, those businesses not previously licenced, is also on track to exceed previous years. These statistics are illustrated in Table 1 below.

Table 1: Business Licence Revenue for 2015-2018

	2018 YTD	2017	2016	2015
New Businesses	1035	1801	1704	1651
Revenue (from Licences)	\$ 2,928,118	\$ 3,884,271	\$ 3,716,597	\$ 3,647,645

Application Processing

The licencing 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 should be both timely and thorough. Table 2 shows the measures that staff use to assess the current process and ensure that inspections and permits are issued without delay so that businesses can open as soon as possible.

Table 2: Status and Number of Business Licences

	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2
Valid Licences	13,242	13,912	14,062	13,870	13,940	14,368
Expired Licences	2,192	1,496	941	944	887	646
Suspended and Pending Applications	450	420	371	329	282	279
Total	15,884	15,828	15,374	15,143	15,109	15,293

All of the measures in Table 2 are improving from quarter to quarter and year over year. The number of businesses with expired licences (unpaid licence fees) is less than a third of what it was at the beginning of 2017. The number of pending and suspended licences also continues to decline, although at a slower pace. This number is expected to stabilize now that staff have

completed implementing a number of changes to the licencing process, including rejecting applications from businesses that do not comply with building permit requirements. The increase in the number of valid licences is likely due to the corresponding decrease in expired (unpaid) licences.

Business Licence Enforcement

The revenue collected from bylaw fines and tickets related to licencing has continued to increase after a low in 2016 (shown below in Table 3). This increase is due to:

- Increasing the fine for operating a business without a licence from \$100 to \$1,000;
- Increasing number of staff available for inspections and enforcement; and
- Enforcement of illegal taxis and other targeted campaigns.

This revenue is projected to continue to increase in 2018 as staff are planning targeted enforcement with other agencies such as the RCMP, BC Liquor Control and the Passenger Transportation Board.

Table 3: Revenue from Tickets

	2018 YTD	2017	2016	2015
Revenue from Tickets	\$ 11,750	\$ 16,350	\$ 1,700	\$ 8,951

Illegal Ride Hailing

Staff from Business Licences, the RCMP and the Passenger Transportation Board carried out another joint enforcement campaign in the second quarter targeting illegal taxis. Another six drivers were stopped as a result of these actions, resulting in the issuance of 18 tickets issued for violations of municipal bylaws (three to each driver). While some drivers have paid the tickets, many have chosen to dispute the tickets in Provincial court. The first round of disputed tickets (from enforcement in the first quarter) are scheduled go to Provincial court in October. Staff are confident that the tickets will be upheld and that this will discourage others from engaging in illegal ride hailing.

Bed and Breakfast Businesses

Staff have completed annual inspections of all of the licenced bed and breakfast businesses. As a result of this, 24 tickets were issued to 10 offenders. Staff are now conducting further reviews of the incidents to determine if further action, such as a licence suspension or cancellation, is warranted.

Licencing Checks on Construction Trades Contractors

In May of this year, licencing staff from Richmond collaborated with staff from Delta and Surrey to visit as many construction sites as possible on a single day to check the licencing of all contractors on site. Inspectors from Richmond visited 80 sites throughout the day and checked approximately 105 businesses. As a result of the checks, 39 tickets were issued. Businesses were told that if they attended to City Hall to apply for a licence within two days that the tickets would be reverted to warnings. This resulted in a rush of contractors applying for licences. In

fact, the number of contractors applying for licences within a week of the inspections exceeded the number of businesses ticketed. Staff are planning a similar campaign in the fall.

Financial Impact

None.

Conclusion

This report provides an update on second quarter statistics to the Community Safety Committee from the Business Licences department. The statistics and commentary provided in this report will inform discussions related to policy, staffing and resources for licences and permits related to businesses.



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