



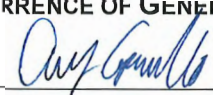


**To:** General Purposes Committee **Date:** July 18, 2024  
**From:** Mark Corrado **File:** 12-8060-20-  
 Director, Community Bylaws and Licencing 010597/Vol 01  
**Re:** **Business Licence Application Eligibility**

**Staff Recommendations**

1. That Business Licence Bylaw No. 7360, Amendment Bylaw No. 10597, be introduced and given first, second and third readings; and
2. That Notice of Bylaw Violation Dispute Adjudication Bylaw No. 8122, Amendment Bylaw No. 10598, be introduced and given first, second and third readings.

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

Att. 2

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

## Staff Report

### Origin

Council can cancel a business license for reasonable cause pursuant to section 60(2) of the *Community Charter* and section 5.2 of the Business Licence Bylaw No.7360 (the Business Licence Bylaw). However, the Business Licence Bylaw does not include any provisions that restrict a person whose business licence has been cancelled or currently suspended, or who has received notice of a hearing contemplating the cancellation or suspension of a licence, from applying for a new licence for the same or similar business, at the same location, under a new business name. Staff propose amending the Business License Bylaw to restrict the ability of certain classes of persons whose licence has been cancelled, currently suspended, or is pending a cancellation or suspension hearing, from applying for a new business licence for the same or similar form of business, at the same location. This restriction would also extend to persons related to a person who is ineligible to apply for a business licence at a specific location. This report supports Council's Strategic Plan 2022-2026 Strategy #2 Strategic and Sustainable Community Growth:

*Work collaboratively and proactively to attract and retain businesses to support a diversified economic base.*

### Analysis

#### Business Licence Bylaw No. 7360, Amendment Bylaw No. 10597

Business Licence Bylaw No. 7360, Amendment Bylaw No. 10597, provides that no person (which includes a company, society, or partnership) is eligible to apply for a business licence if such person:

- a) had a licence for the same or similar form of business, at the same location, cancelled;
- b) was a director, officer, significant individual or partner of another person who had a licence for the same or similar form of business, at the same location, cancelled; or
- c) is a corporation or partnership, and one or more of its partners, directors, officers or a significant individual in respect of such corporation or partnership:
  - a. had a licence for the same or similar form of business, at the same location, cancelled; or
  - b. was a partner, director, officer or significant individual of another person that had a licence for the same or similar form of business, at the same location, cancelled; or
- d) is related to a person who had a licence for the same or similar form of business, at the same location, cancelled

within the previous two year period, unless determined otherwise by Council.

This bylaw amendment further provides that:

1. the persons listed above are ineligible to apply for a business licence for the same or similar form of business, at the same location, if the current licence for the location is suspended;
2. if a person has been provided with notice of a hearing contemplating the cancellation or suspension of a business licence, then until such time as a decision has been rendered with respect to such hearing, such person, and other entities or individuals involved with or related to such person, are not eligible to apply for or be issued a licence for the same or similar form of business, at the same location, under a different name than that of the current licensee; and
3. the licence inspector may refuse to issue a licence if a person has unpaid fines owing to the City pursuant to this or any other City bylaw.

“Significant Individual” as defined in the bylaw and the *Business Corporations Act*, means a person who holds 25% or more of the shares of a company. While the City will currently have to rely on individuals self reporting on whether or not they are a significant individual, the province has drafted legislation that will create reporting requirements and a publicly accessible database of significant individuals for BC companies.

Additional housekeeping amendments are included, which update references to current legislation, and ensure a consistent use of terminology regarding the suspension or cancellation of business licences.

These amendments will prevent key individuals involved in a business whose business licence was cancelled within the last two years or currently suspended, or that has received notice of a hearing contemplating the cancellation or suspension of a licence, from circumventing the City’s business licence regime.

Notice of Bylaw Violation Dispute Adjudication Bylaw No. 8122, Amendment Bylaw 10598

The Notice of Bylaw Violation Dispute Adjudication Bylaw No. 8122 currently provides the ability to issue tickets for businesses operating without a licence. The Notice of Bylaw Violation Dispute Adjudication Bylaw No. 8122, Amendment Bylaw No. 10598 provides Bylaw Enforcement Officers with the additional ability to issue tickets for providing false information in a licence application, and for failing to comply with a term or condition of a licence or the requirements of Business Licence Bylaw No. 7360. These types of tickets may be disputed and are reviewed by an independent adjudicator at hearings held throughout the year.

**Financial Impact**

None.

**Conclusion**

The proposed amendments will prevent people whose business licence has been cancelled within the last two years or currently suspended, or who has received notice of a hearing contemplating the cancellation or suspension of a licence, from circumventing the City's business licence regime. The proposed amendments will also ensure businesses looking to renew their business licence must pay any outstanding fines owing to the City, and will further enable staff to enforce the provisions of the Business Licence Bylaw.



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



Brendan Burns  
Staff Solicitor  
(604-204-8624)



**Business Licence Bylaw No. 7360,  
Amendment Bylaw No. 10597**

The Council of the City of Richmond enacts as follows:

1. Business Licence Bylaw No. 7360, as amended, is further amended at Part One: Business Licence Application Process by deleting sections 1.2(h) and (i) and replacing them with the following:
  - “(h) an attestation that the **applicant** is eligible to apply for a **licence** in accordance with the provisions of this bylaw;
  - (i) in the case of a company or society, a copy of that company’s Company Summary or that society’s Society Summary, as the case may be, from the BC Registry Services, for a search conducted no more than seven (7) days prior to the date of submission of the application form;
  - (j) in the case of a **partnership** that is a limited partnership or a limited liability partnership, a copy of that **partnership’s** Partnership Summary, from the BC Registry Services, for a search conducted no more than seven (7) days prior to the date of submission of the application form; and
  - (k) any other information the **Licence Inspector** may require.”
2. Business Licence Bylaw No. 7360, as amended, is further amended at Part One: Business Licence Application Process by adding the following after subsection 1.6:
  - “1.7 No **person** is eligible to apply for a **licence**, and a **licence inspector** must not issue a **licence** to a **person**, if:
    - (a) such **person** had a **licence**;
    - (b) such **person** was a **key individual** of another **person** who had a **licence**;
    - (c) such **person** is a **corporation** or **partnership**, and one or more **key individual** in respect of such **corporation** or **partnership**:
      - (i) had a **licence**; or
      - (ii) is or was a **key individual** of another **person** that had a **licence**; or

(d) a **related person** to such **person** had a **licence**

for the same or similar form of **business**, at the same location, either:

(i) cancelled pursuant to the provisions of this bylaw or the **Community Charter**, within the previous two year period, unless determined otherwise by Council; or

(ii) suspended pursuant to the provisions of this bylaw or the **Community Charter**, and such suspension is still in effect.

1.8 If a **person** has been provided with notice of a hearing contemplating the cancellation or suspension of a **licence**, then until such time as a decision has been rendered with respect to such hearing:

(a) such **person**;

(b) a **key individual** of such **person**;

(c) a **corporation** or **partnership** of which such **person** is or was a **key individual**;

(d) a **corporation** or **partnership** of which one more **key individual** is or was a **key individual** of such **person**; or

(e) a **related person** to such **person**

is not eligible to apply for or be issued a **licence** for the same or similar form of business, at the same location, under a different name than that of the current **licencee**.

1.9 A **licence inspector** may refuse to issue a **licence** to a **person**, if such **person** has an unpaid fine owing to the City pursuant to this bylaw or any other bylaw of the City.”

3. Business Licence Bylaw No. 7360, as amended, is further amended at Part Four: General Provisions, by:

(a) inserting the following at the end of section 4.3.1:

“If a **person** has been provided with notice of a hearing contemplating the cancellation or suspension of a **licence**, then until such time as a decision has been rendered with respect to such hearing, such **person** may not transfer such **licence**.”

(b) deleting section 4.5.3 and replacing it with the following:

“4.5.3 Subject to the *Community Charter*, the **Licence Inspector** has the power to grant, issue, renew, cancel or transfer **licences**.”

4. Business Licence Bylaw No. 7360, as amended, is further amended at Part Five: Bylaw Violations and Penalties by deleting section 5.3 and replacing it with the following:

“5.3 Every **licencee** must comply with:

- (a) the terms and conditions set out in their **licence**;
- (b) the requirements of this, or any other bylaw of the **City**, which governs or regulates the **business** for which such **licence** was granted;
- (c) any requirements imposed by the **Medical Health Officer**; and
- (d) all applicable statutes, regulations, rules, codes and orders of all federal or provincial authorities having jurisdiction of such **business**.

5.4 A violation of any of the provisions identified in this bylaw shall:

- (a) result in liability for penalties and late payment amounts established in Schedule A of the *Notice of Bylaw Violation Dispute Adjudication Bylaw No. 8122*, as amended or replaced from time to time; and
- (b) be subject to the procedures, restrictions, limits, obligations and rights established in the *Notice of Bylaw Violation Dispute Adjudication Bylaw No. 8122* in accordance with the *Local Government Bylaw Notice Enforcement Act*, SBC 2003, c. 60, as they may be amended or replaced from time to time.”

5. Business Licence Bylaw No. 7360, as amended, is further amended at Part Seven: Interpretation by adding the following definitions in section 7.1 in alphabetical order:

**“AFFILIATE** has the meaning given to that term in the *Business Corporations Act*, [SBC 2002] Ch 57.

**BLOOD RELATIONSHIP** means persons connected by

- (a) blood relationship if one is a child or other descendant of the other or one is the brother or sister of the other;
- (b) marriage if one is married to the other or to a person who is so connected by blood relationship to the other;
- (c) common-law partnership if one is in a common-law partnership with the other or with a person who is connected by blood relationship to the other; and
- (d) adoption if one has been adopted, either legally or in fact, as the child of the other or as the child of a person who is so connected by blood relationship (otherwise than as a brother or sister) to the other.

**COMMUNITY CHARTER** means the Community Charter, [SBC 2003] Ch. 26, as amended or replaced from time to time.

<b>CORPORATION</b>	means an incorporated association, company, society, municipality or other incorporated body, where and however incorporated.
<b>KEY INDIVIDUAL</b>	means a <b>person</b> who is or was: <ul style="list-style-type: none"> <li>(a) a director, officer or <b>significant individual</b> of a <b>corporation</b>; or</li> <li>(b) a partner of a <b>partnership</b>.</li> </ul>
<b>PARTNERSHIP</b>	has the meaning given to that term in section 2 of the <i>Partnership Act</i> , [RSBC 1996] Ch. 348, and includes, without limitation, a limited partnership, a limited liability partnership and a general partnership.
<b>RELATED GROUP</b>	means a group of persons each member of which is related to every other member of the group.
<b>RELATED PERSON</b>	means: <ul style="list-style-type: none"> <li>(a) individuals connected by <b>blood relationship</b>, marriage or common-law partnership or adoption;</li> <li>(b) a <b>corporation</b> and <ul style="list-style-type: none"> <li>(i) a <b>person</b> who controls the <b>corporation</b>, if it is controlled by one <b>person</b>,</li> <li>(ii) a <b>person</b> who is a member of a <b>related group</b> that controls the <b>corporation</b>, or</li> <li>(iii) any <b>person</b> related to a <b>person</b> described in (i) or (ii) above; and</li> </ul> </li> <li>(c) any two <b>corporations</b> that are <b>affiliates</b>.</li> </ul>
<b>SIGNIFICANT INDIVIDUAL</b>	has the meaning given to that term in section 119.11(2) of the <i>Business Corporations Act</i> , [SBC 2002] Ch. 57.”

6. Business Licence Bylaw No. 7360, as amended, is further amended by:
- (a) replacing the words “suspended, cancelled or revoked” in sections 2.1.30.3(c) and 4.2.1 with the words “suspended or cancelled”;
  - (b) deleting the word “revoke” in section 2.3.3 and replacing it with the word “cancel”;
  - (c) replacing the words “cancelled, suspended, revoked” in section 2.3.4 with the words “suspended, cancelled”;
  - (d) deleting the words “revoke or” in section 5.2(b); and
  - (e) deleting the words “*Local Government Act*” in sections 4.1.1, 4.4.3, 5.2 and 7.1 and replacing them with the words “*Community Charter*”.



7. This Bylaw is cited as **“Business Licence Bylaw No. 7360, Amendment Bylaw No. 10597”**.

FIRST READING

SECOND READING

THIRD READING

ADOPTED

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MAYOR

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\_\_\_\_\_  
CORPORATE OFFICER

CITY OF RICHMOND
APPROVED for content by originating Division  M.C.
APPROVED for legality by Solicitor  B.R.B.



**Notice of Bylaw Violation Dispute Adjudication Bylaw No. 8122,  
Amendment Bylaw No. 10598**

The Council of the City of Richmond enacts as follows:

1. Notice of Bylaw Violation Dispute Adjudication Bylaw No. 8122, as amended, is further amended by adding the content of the table in Schedule A attached to and forming part of this bylaw to "Schedule – Business Licence Bylaw No. 7360 (2002)" in Bylaw No. 8122 in numerical order.
2. This Bylaw is cited as "Notice of Bylaw Violation Dispute Adjudication Bylaw No. 8122, Amendment Bylaw No. 10598".

FIRST READING

SECOND READING

THIRD READING

ADOPTED

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CITY OF RICHMOND
APPROVED for content by originating dept. M.C.
APPROVED for legality by Solicitor BRB

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CORPORATE OFFICER

## Schedule A to Bylaw No. 10598

<b>Schedule – Business Licence Bylaw No. 7360 (2002)</b>							
<b>Designated Bylaw Contraventions and Corresponding Penalties</b>							
<b>A1</b>	<b>A2</b>	<b>A3</b>	<b>A4</b>	<b>A5</b>	<b>A6</b>	<b>A7</b>	<b>A8</b>
<b>Bylaw</b>	<b>Description of Contravention</b>	<b>Section</b>	<b>Compliance Agreement Available</b>	<b>Penalty</b>	<b>Early Payment Option</b>	<b>Late Payment Amount</b>	<b>Compliance Agreement Discount</b>
<b>Business Licence Bylaw No. 7360 (2002)</b>	<b>Period of Time from Receipt (inclusive)</b>		n/a	29 to 60 days	1 to 28 days	61 days or more	n/a
	Failing to provide information or concealing required information in licence application	1.4	No	\$ 450.00	\$ 400.00	\$ 500.00	n/a
	Failure to comply with term or condition of a licence	5.3(a)	No	\$ 450.00	\$ 400.00	\$ 500.00	n/a
	Failure to comply with requirements of Business Licence Bylaw No. 7360	5.3(b)	No	\$ 450.00	\$ 400.00	\$ 500.00	n/a