



City of Richmond

Report to Committee

To: Community Safety Committee **Date:** October 17, 2019
From: Cecilia Achiam **File:** 12-8375-03/2019-Vol 01
General Manager, Community Safety
Re: **Business Licence Quarterly Report - Third Quarter 2019**

Staff Recommendation

That the staff report titled "Business Licences Quarterly Report – Third Quarter 2019", dated October 17, 2019, from the General Manager Community Safety be received for information.

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

REPORT CONCURRENCE	
ROUTED TO:	CONCURRENCE
Economic Development	<input checked="" type="checkbox"/>
Finance	<input checked="" type="checkbox"/>
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: CJ
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.

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.

7.3 Attract businesses to locate in Richmond and support employment and training opportunities in Richmond as we grow.

Analysis

Business Licence Revenue

Revenue from business licences as well as the number of new business continues to increase year over year. Revenue is up almost three per cent versus the same comparable 2018 YTD period (\$3,647,645) and new businesses are tracking almost eight per cent higher (1404 in the same period in 2018). This is a continuation of similar growth seen in 2018 and is likely the result of conditions in the market as well as systems in place for enforcement and following up with expired and unpaid annual licences.

Table 1: Business Licence Revenue for 2016-2019

	2016	2017	2018	2019 YTD
New Businesses	1704	1801	1745	1513
Revenue (from Licences)	\$ 3,716,597	\$ 3,884,271	\$ 4,087,165	\$ 3,749,767

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 and staff use three measures of performance including:

- 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 have this number as low as possible.
- 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 2) 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: Status and Number of Business Licences

	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3
Valid Licences	13,940	14,368	14,285	14,267	14,276	14,737	14,802
Expired Licences	887	646	688	723	847	637	641
Suspended/Pending Applications	282	279	286	274	334	397	349
Total Licences	15,109	15,293	15,259	15,264	15,457	15,771	15,792

Significant progress was made in the third quarter to reduce the number of expired licences and those waiting for a licence down to the historical lows seen in 2018. This was achieved despite the fact that the number of licences and applications processed was the highest recorded by the group (15,792). However, it is expected that this progress may slow down in the fourth quarter of 2019 until vacancies in the group are filled.

Business Licence Enforcement

The revenue collected from bylaw fines and tickets related to licencing are continuing to increase. Table 3 provides the revenue collected to date in 2019, compared to totals from previous years. As shown in the table, revenue from Business Licence enforcement is continuing to increase beyond levels seen in recent years. The revenue from quarter three has already exceeded the revenue in all of 2018 and is almost double the revenue received by the same quarter in 2018 (which was \$21,150).

Over the last year, the Business Licences team has employed part-time auxiliary staff in order to undertake additional enforcement of the licencing bylaws. This has made it possible to provide proactive and targeted enforcement of illegal taxis, businesses without licences and bed and breakfast businesses, among other activities. Going forward, it will be proposed to convert the funding for auxiliary staff into funding for a regular full-time position. This is outlined in the report to Council related to staffing and service levels for bylaw enforcement.

Table 3: Business Licence Enforcement Revenue

	2016	2017	2018	2019 YTD
Revenue from Tickets	\$ 1,700	\$ 16,350	\$ 37,250	\$ 41,250

Illegal Taxi Enforcement

Business Licencing staff, along with staff from the Passenger Transportation Board (“PTB”) and RCMP, undertook a targeted enforcement operation on Wednesday, September 18, 2019. Enforcement staff worked through the afternoon and evening, stopping a total of 11 drivers. Each driver received a ticket for operating a business without a licence, which induces a \$1,000 fine. In

the past, drivers were issued three tickets each but changes to the ride hailing legislation at the Provincial level removed certain authorities over taxis and ride hailing from municipal jurisdiction.

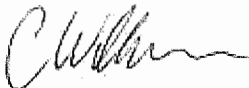
In addition to the tickets issued from the City, the PTB also issued 11 tickets, one to each driver. The RCMP also issued tickets to two of the drivers for violations under the Motor Vehicle Act and other offences.

Financial Impact

None.

Conclusion

This report provides an update on 2019 third quarter statistics to the Community Safety Committee from the Business Licences department. Overall in the third quarter, revenue from both licences and enforcement are continuing to increase year over year.



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