



City of Richmond

Report to Committee

To: Community Safety Committee **Date:** August 26, 2022
From: Mark Corrado **File:** 12-8375-03/2022-Vol
 Director, Community Bylaws & Licencing 01
Re: **Business Licence Activity Report – Second Quarter 2022**

Staff Recommendation

That the staff report titled “Business Licence Activity Report – Second Quarter 2022”, dated August 26, 2022, 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 an update of business licence activity for the second quarter of 2022.

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 second quarter in 2022 was \$2,917,328, which represents a slight decrease when compared with the same time period in 2021 (Table 1). Business Licence revenue can be seen as one of multiple indicators of overall economic health in Richmond.

Table 1: Business Licence Revenue (January – June)

	2019	2020	2021	2022
Revenue	\$ 3,028,006	\$ 2,923,293	\$ 2,929,589	\$2,917,328

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
Valid Licences	13,341	13,586	13,558	13,792	13,662	13,848
Expired Licences	1,318	962	967	812	1,034	1,313
Suspended/Pending Applications	457	468	583	486	741	685
Total Licences	15,116	15,016	15,108	15,090	15,437	15,846

Second quarter valid licences increased from 2021-2022, which demonstrated improved business health despite rising inflationary costs and changing pandemic restrictions. Expired licences increased due to both businesses having closed and because they were operating without paying for the renewal of their licence. Staff continue to proactively verify the operational status of businesses and it is anticipated that this figure will decrease as these licences are reclassified.

Table 3: New Business Licences Issued (April-June)

	2019 Q2	2020 Q2	2021 Q2	2022 Q2
Total Issued	458	417	352	471

The number of new business licences issued in the second quarter of 2022 has significantly increased by 34 per cent compared to same quarter last year. This is a positive indicator of economic health given rising 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 32 tickets were issued by Business License staff in the second quarter of 2022. Businesses continuing to operate without a valid licence are given a warning and then issued a ticket if fees are unpaid. A number of tickets are currently in the adjudication process, pending the adjudicators ruling the revenue captured may change.

Table 4: Business Licence Enforcement Revenue – Second Quarter

	2021	2022
Revenue from Tickets	\$ 12,975	\$ 8,550

Illegal Ride-Hailing Enforcement

In the second quarter of 2022, at the request of the Passenger Transportation Branch (PTB), the City, along with Richmond RCMP and Transit Police, conducted two joint-operations targeting illegal ride-hailing services. The outcome of these joint operations are highlighted below.

Table 5: 2022 Total Fines Issued

Agency	YTD Fines
Passenger Transportation Branch	\$ 15,517
City of Richmond	\$ 4,050*
Total	\$ 19,567

*Pending adjudication determination

Table 6: 2022 Tickets Issued

Agency	Tickets Q2	YTD Tickets
Passenger Transportation Branch	9	25
City of Richmond	6	11
Total	15	36

Staff will continue to work with the PTB 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 second quarter results for 2022 in the Business Licences department. Second quarter revenues decreased slightly but are not indicative of a trend. The increase in new licences is a positive indicator of overall economic health, given the challenging business climate. A primary focus of staff for the remainder of the year will be focusing on processing applications and addressing the number of expired licenses and determining their appropriate status.



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