

ITEM 11
MANAGER'S REPORT NO. 64
COUNCIL MEETING 1982 11 22

RE: BUSINESS LICENCE FEES - 1983

MUNICIPAL MANAGER'S RECOMMENDATION:

1. THAT the recommendations of the Treasurer be adopted.

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TO: MUNICIPAL MANAGER 1982 November 16
FROM: TREASURER
RE: BUSINESS LICENCE FEES - 1983

RECOMMENDATIONS:

1. THAT an average increase of 6% rounded, to the licence fees as set out in:

- (i) Burnaby Trades Licence By-law No. 3089 (attached)
- (ii) Burnaby Cab & Commercial Vehicle By-law No. 3102 (attached)
- (iii) Burnaby Cabaret Regulation By-law No. 1481 (attached)
- (iv) Burnaby Club Regulation By-law No. 3065 (attached)
- (v) Burnaby Automatic Vending Machine By-law No. 1914 (attached)

be adopted for application on 1983 January 01; and

2. THAT the Burnaby Automatic Vending Machine By-law No. 1914 be amended to provide:

- (i) An amended definition of a vending machine
- (ii) Definition of an arcade
- (iii) That the penalty section be updated in accordance with the Offence Act
- (iv) That Sections 8A (2)(3)(4)(5) be deleted.

SUMMARY

This report deals with the annual review of business licence fees. A 6% average increase for all categories, with a minimum increase of \$5.00, excluding automatic vending machines, is proposed for 1983. The classification and fees for automatic vending machines have been realigned to meet the increasing variety of goods and services that are offered by vending machines.

1. FEE STRUCTURE

Our licence fees are calculated to recover administration and inspectional costs of licencing businesses. Annually, fees are reviewed and adjusted to meet changes in inspectional requirements, and to meet operational costs. This method of establishing licence fees has been in effect since 1978 January 01.

2. PROPOSED 1983 FEES

145

Fees set out in the attachments reflect estimated cost increases for 1983, the greatest portion of which is labour. In keeping with the Federal Government guidelines, the proposed 1983 fees for general business licences have been increased by an average 6%, and rounded to the nearest \$5.00. Additionally, text and fee schedule amendments are proposed to the Burnaby Automatic Vending Machine By-law, No. 1914.

Text amendments to By-law No. 1914 are primarily housekeeping matters and consist of defining an arcade to mean:

Any premises or portion of a premises where the principal activity is the operation of six or more automatic vending machines for recreation or amusement which are kept for hire or profit.

Additionally, an amended definition of vending machine will set out that arcades shall be licenced at the rate set out in the fee schedule of the Trades Licence By-law.

The proposed amendment is also intended to provide for licencing of machines which may be operated by coin, slug or card. This is because machines designed to accept a manufacturer's slug or token are available, and our review revealed that machines designed to be operated by a card, similar to a credit card, will probably be on the market in one or two years. Further, the proposed definition will establish that, in addition to arcades, other businesses such as coin operated laundromats, dry cleaning shops or card operated "key lock" motor fuel outlets, or in some cases parking lots, when licenced under the Trades Licence By-law shall not be required to be licenced by machine under the Vending Machine By-law.

Included in the definition of vending machine are coin operated washers and dryers located in apartment complexes. This is a new category and they would be licenced per machine at the proposed rate of \$10.00 each, which is comparable to fees assessed in other areas.

Coin operated soap, bleach, laundry bag or change machines located in premises licenced as laundromats will be included in the business licence issued under the Trades Licence By-law. However, amusement machines or merchandise machines such as candy, pop, cigarettes, etc., located in laundromats or similar establishments will be required to be licenced separately as vending machines.

The definition of an arcade will not have application to facilities such as hotels with a number of amusement type machines located in various public and entertainment areas of the premises. They will be licenced at the per machine rate as a vending machine. On the other hand, if an area is established for the principal purpose of accommodating such machines (games room) we would licence it as an arcade.

Sections 8A(2)(3)(4)(5) provide for the issuing of an identification card or decal to be attached to every vending machine that an operator places within the Municipality. These sections further provide that the card be attached to the machine, and that the operator shall apply for a new card if the machine is replaced or moved.

In my opinion this is impractical. The By-law requires the operators of vending machines to provide lists of the class and location of all their machines. We licence an operator for a certain number of machines of specified classes at stated locations. We do not licence a specific machine of the same class. It is administratively impractical to require that a card or decal be issued every time a machine is replaced for service, or is switched with a machine from another location. Therefore it is recommended that this section be deleted from the By-law.

The final text amendment is to update the penalty clause of Section 10 in accordance with the Offence Act.

The fee schedule has been set out to provide three categories of machines:

1. Vending of goods or merchandise
2. Vending of services, e.g. hair dryers, blood pressure machines, vacuum cleaners at car washes, etc.
3. Amusement machines

Fees set out on attachment No. 5 have been calculated to deal with the increasing variety of goods and services that are offered by vending machines, and to set out equitable fees based on the type of services, or money required to obtain goods or services from the machine. Examples of the types of machines covered by each rate are included for information purposes.

3.1 FEES

Based on an average 6%, the minimum increase is \$5.00 and the maximum increase is \$50.00 on renewal licences, except automatic vending machines for which the minimum increase is \$2.00 per machine, and for apartments the fee increase is 50¢ per room, equalling \$2.00 on a four room suite.

Application of these rates, plus the realignment of the vending machine categories, including the introduction of licencing washers and dryers in apartment complexes, is expected to increase revenue by an estimated \$65,000 in 1983.

4. CONCLUSION

In my opinion, our system of licencing businesses is equitable for the licensee because it is structured to recover only our costs and is therefore administratively cost effective for the Corporation.

It is recommended that licence fees set out on the attached schedules be adopted for application in 1983; and

That Burnaby Automatic Vending Machine By-law No. 1914 be amended to provide:

- (i) An amended definition of a vending machine
- (ii) Definition of an arcade
- (iii) That the penalty section be updated in accordance with the Offence Act
- (iv) That Sections 8A (2)(3)(4)(5) be deleted.

Attach.



Howard Karras
TREASURER

ITEM	11
MANAGER'S REPORT NO.	64
COUNCIL MEETING	1982 11 22

ATTACHMENT NO. 1

TRADES LICENCE BY-LAW NO. 3089

147

CLASSIFICATION	First Licence	Proposed	Renewal	Proposed
	1982	1983	1982	1983
	\$	\$	\$	\$
Advertising Agency	190.00	200.00	90.00	95.00
Advertising Distributor	90.00	95.00	40.00	45.00
Agent	90.00	95.00	40.00	45.00
Apartment (Licences calculated per room)	5.50	6.00	5.50	6.00
Arcade	400.00	425.00	215.00	230.00
Auction House	190.00	200.00	90.00	95.00
Auctioneer	90.00	95.00	40.00	45.00
Auto Court (Licences calculated per room)	5.50	6.00	5.50	6.00
Auto Towing Yard	190.00	200.00	90.00	95.00
Book Agent - Office	190.00	200.00	90.00	95.00
Book Agent	90.00	95.00	40.00	45.00
Bowling Alley	400.00	425.00	195.00	205.00
Canvasser	90.00	95.00	40.00	45.00
Contractor - Yard, Shop, Office	190.00	200.00	90.00	95.00
Contractor	90.00	95.00	40.00	45.00
Curling Rink or Ice Rink	400.00	425.00	195.00	205.00
Discotheque	550.00	585.00	305.00	325.00
Home Occupation	40.00	45.00	30.00	35.00
Hotel (Class "A" liquor outlet)	620.00	655.00	375.00	400.00
Hotel Rooms (Licences calculated per room)	5.50	6.00	5.50	6.00
Junk Dealer	440.00	465.00	195.00	205.00
Manufacturer - General				
1 to 50 persons	250.00	265.00	90.00	95.00
51 to 150 persons	365.00	385.00	160.00	170.00
151 persons and over	400.00	425.00	195.00	205.00
Manufacturer - Processing Chemicals or Flammables				
1 to 50 persons	575.00	610.00	375.00	400.00
51 to 150 persons	790.00	835.00	580.00	615.00
151 persons and over	930.00	985.00	655.00	695.00
Manufacturer - Processing Food				
1 to 50 persons	365.00	385.00	195.00	205.00
51 to 150 persons	440.00	465.00	230.00	245.00
151 persons and over	550.00	585.00	265.00	280.00

ATTACHMENT NO. 1 (cont'd)

<u>CLASSIFICATION</u>	<u>First Licence 1982</u> \$	<u>Proposed 1983</u> \$	<u>Renewal 1982</u> \$	<u>Proposed 1983</u> \$
Neighbourhood Pub	615.00	650.00	305.00	325.00
Oil Refinery	1,285.00	1,360.00	860.00	910.00
Oil Storage and Distribution	1,285.00	1,360.00	860.00	910.00
Peddler - Food	190.00	200.00	90.00	95.00
Peddler - General	90.00	95.00	40.00	45.00
Personal Care Facility (Adult Nursing Home)	400.00	425.00	195.00	205.00
Photographer - Mobile	90.00	95.00	40.00	45.00
Photographic Studio	190.00	200.00	90.00	95.00
Pool Hall	400.00	425.00	195.00	205.00
Private Hospital	575.00	610.00	265.00	280.00
Private Patrol and Guard Service - Office	190.00	200.00	90.00	95.00
Private Patrol and Guard Service	90.00	95.00	40.00	45.00
Private School	330.00	350.00	125.00	135.00
Public Hall	330.00	350.00	160.00	170.00
Radio and T.V. Repair - Shop	190.00	200.00	90.00	95.00
Radio and T.V. Repair - Mobile	90.00	95.00	40.00	45.00
Restaurant				
40 seats or take-out	225.00	240.00	105.00	110.00
41 seats to 150 seats	320.00	340.00	195.00	205.00
151 seats and over	460.00	490.00	305.00	325.00
Retail Trader - General				
1 to 10 persons	190.00	200.00	90.00	95.00
11 to 50 persons	400.00	425.00	160.00	170.00
51 persons and over	665.00	705.00	665.00	705.00
Retail Trader - Food				
1 to 10 persons	225.00	240.00	125.00	135.00
11 to 50 persons	440.00	465.00	265.00	280.00
51 persons and over	665.00	705.00	665.00	705.00
Roller Rink - Skateboard	365.00	385.00	195.00	205.00
Scavenger	90.00	95.00	40.00	45.00
Sign Painter	90.00	95.00	40.00	45.00
Telephone Communications Facility				
1 to 50 persons	295.00	315.00	90.00	95.00
51 to 150 persons	440.00	465.00	230.00	245.00
151 persons and over	650.00	690.00	375.00	400.00

ITEM	11
MANAGER'S REPORT NO.	64
COUNCIL MEETING	1982 11 22

ATTACHMENT NO. 1 (cont'd)

149

<u>CLASSIFICATION</u>	<u>First Licence 1982</u> \$	<u>Proposed 1983</u> \$	<u>Renewal 1982</u> \$	<u>Proposed 1983</u> \$
Theatre - Drive-in	550.00	585.00	305.00	325.00
Theatre - Indoor	440.00	465.00	230.00	245.00
Towing Service	90.00	95.00	40.00	45.00
Trailer Camp or Court	365.00	385.00	195.00	205.00
Warehouse - General				
1 to 50 persons	250.00	265.00	90.00	95.00
51 to 150 persons	330.00	350.00	160.00	170.00
151 persons and over	365.00	385.00	195.00	205.00
Warehouse - Chemicals or Flammables				
1 to 50 persons	400.00	425.00	230.00	245.00
51 to 150 persons	550.00	585.00	340.00	360.00
151 persons and over	680.00	720.00	480.00	510.00
Wholesaler - General				
1 to 50 persons	250.00	265.00	90.00	95.00
51 to 150 persons	330.00	350.00	160.00	170.00
151 persons and over	365.00	385.00	195.00	205.00
Wholesaler - Food, Chemicals or Flammables				
1 to 50 persons	400.00	425.00	230.00	245.00
51 to 150 persons	550.00	585.00	340.00	360.00
151 persons and over	790.00	835.00	505.00	535.00
Christmas Tree Permit	30.00	35.00	N/A	N/A
Carnival or Circus				
First day (whichever greater)	225.00	240.00		
Second and following days (whichever greater)	75.00	80.00		
All businesses not hereinbefore classified shall pay the following fees	190.00	200.00	90.00	95.00

ITEM	11
MANAGER'S REPORT NO.	64
COUNCIL MEETING	1982 11 22

ATTACHMENT NO. 2

CAB & COMMERCIAL VEHICLE BY-LAW NO. 3102

	<u>First Licence 1982</u>	<u>Proposed 1983</u>	<u>Renewal 1982</u>	<u>Proposed 1983</u>
	§	§	§	§
1. For each Class "A" Taxi-Cab	138.00	150.00	138.00	150.00
2. For each Cab Premises	190.00	200.00	90.00	95.00
3. For operating each of the following businesses:				
a) Class "C" Funeral Cab	190.00	200.00	90.00	95.00
b) Class "D" School Cab	190.00	200.00	90.00	95.00
c) Class "E" Charter Cab	190.00	200.00	90.00	95.00
d) Class "F" Drive-Self Cab	190.00	200.00	90.00	95.00
e) Driving Instruction Cab	190.00	200.00	90.00	95.00
f) Vehicles for hire not hereinbefore enumerated	190.00	200.00	90.00	95.00
g) Taxi Service Broker	190.00	200.00	90.00	95.00

ITEM	11
MANAGER'S REPORT NO.	64
COUNCIL MEETING	1982 11 22

151

ATTACHMENT NO. 3

CABARET REGULATION BY-LAW NO. 1481

	First Licence 1982 \$	Proposed 1983 \$	Renewal 1982 \$	Proposed 1983 \$
Cabaret	475.00	505.00	265.00	280.00

ITEM	11
MANAGER'S REPORT NO.	64
COUNCIL MEETING	1982 11 22

ATTACHMENT NO. 4

CLUB REGULATION BY-LAW NO. 3065

	First Licence 1982 \$	Proposed 1983 \$	Renewal 1982 \$	Proposed 1983 \$
Club	400.00	425.00	230.00	245.00
Club Manager	115.00	120.00	65.00	70.00

ITEM 11
 MANAGER'S REPORT NO. 64
 COUNCIL MEETING 1982 11 22

ATTACHMENT NO. 5

153

AUTOMATIC VENDING MACHINE BY-LAW NO. 1914

	1982 Fee \$	Proposed 1983 Fee \$
A. Each machine for the sale of newspaper	18.00	20.00
* B. Each coin operated washer, dryer, or dry cleaning machine located in multiple residential premises	new category	10.00
C. Each machine for the sale of goods or merchandise up to 25 cents	10.00 to 18.00	6.00
Examples: Candy and novelty vendors (1¢-5¢-10¢-25¢ - multiple head stands - of which each coin receptacle requires separate licence), personal toiletries		
D. Each machine for the sale of goods or merchandise up to 75 cents	18.00	20.00
Examples: Pop, candy, coffee and hot soup, fresh fruit and other food items, maps, pens, horoscopes		
E. Each machine for the sale of goods or merchandise over 75 cents	18.00	25.00
Examples: Cigarettes, sandwiches, and other hot fast foods, maps, pens, prophylactics, magazines and paperback books		
* F. Each machine for the sale of services up to 25 cents	new category	6.00
Examples: Coin car wash or vacuum, breathalyser, blood pressure pulse rate, parking meters, duplicating machines		
* G. Each machine for the sale of services up to 75 cents	new category	20.00
Examples: Hair dryers, vibrating beds, coin operated television, plastic laminating machines, coin operated car wash - if over 25¢		
* H. Each machine for the sale of services over 75 cents	new category	25.00
Examples: Coin operated parking, breathalyser, blood pressure pulse rate - if over 75¢, automotive servicing devices		
I. Each amusement vending machine (not located in a licenced arcade)	43.00	45.00

Examples: Video games, pinball machines, foos ball, hockey, music machines, kiddie rides, coin operated pool tables

* These are new categories. With respect to categories F, G and H, these are machines that provide a service only. It is these classes of machines that appear to be increasing in number and type of services. Currently, By-law No. 1914 provides categories of sale of goods or amusement only.