

TO: MUNICIPAL MANAGER

FROM: DIRECTOR FINANCE

SUBJECT: 1992 BUSINESS LICENCE FEES

PURPOSE: To obtain approval of 1992 fees.

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RECOMMENDATION

1. THAT the following bylaws be amended to provide for the fees outlined in the attached Schedules A to E, effective 1992 January 01:

- a) Burnaby Business Licence Bylaw No. 3089
- b) Burnaby Cab and Commercial Vehicle Bylaw No. 3102
- c) Burnaby Cabaret Regulation Bylaw No. 1481
- d) Burnaby Club Regulation Bylaw No. 3065; and
- e) Burnaby Automatic Vending Machine Bylaw No. 1914

SUMMARY

This is the annual business licence fee report. A 4% inflationary increase is proposed for most new and some renewal categories where the costs of licencing exceed the current licence fee. The renewal fees for a basic business licence will be maintained at the 1991 level. As a result, approximately 70% of Burnaby's existing businesses will receive no increase in their licence fee in 1992.

The proposed 1992 fees continue the phased adjustment of fees for businesses requiring a high level of municipal inspections and monitoring. These costs were identified in our 1989 Business Licence Review. Where these increases were substantial, Council in 1989 approved phasing in the increases over three years to reduce the short term impact. In 1992, the final stage of the phased increases will be applied.

The proposed fees will increase business licence revenue by an estimated \$55,000 in 1992. This revenue will be included in the 1992 provisional budget.

REPORT

1. BACKGROUND

Licence fees are reviewed and adjusted annually to reflect changes in the community, in inspectional requirements, and to ensure that all administrative and inspectional costs are recovered. These costs include inspectional and clerical staff salaries, supplies, and transportation and administrative overhead of municipal departments involved in processing licences.

The current (1991) basic resident licence fees are \$382 for a new licence and \$123 for a renewal. The current fee for a non-resident or mobile business is \$212 for a new licence and \$62 for a renewal.

The difference between the fee for a new licence and a renewal licence represents the non-recurring inspectional costs incurred by municipal departments prior to a business operating. These inspections are required to determine whether operators of businesses are in compliance with applicable bylaws and statutory requirements which ensure public health and safety.

Businesses requiring more than the basic inspections (e.g. restaurants, chemical processing, auto paint facilities) have higher fees to reflect the additional costs. Conversely, where inspectional requirements are minimal, the licence fee is lower.

Licence fees for vending machines and multiple unit accommodation are applied on a per unit basis.

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2. PROPOSED 1992 FEES

a) Fee Adjustments

An inflationary increase of 4% is proposed for the first year licence categories and some renewal categories where the cost of licencing exceeds the current licence fee. This increase is consistent with bank and public institution projections of inflation for 1992. The proposed 1992 fees are outlined in the attached Schedules A to E.

The proposed increase is necessary in order to continue operating on a cost recovery basis, as the cost of supplies, transportation, inspections and administrative overhead of municipal departments involved in processing licences will increase during 1992.

The renewal fees for a basic business licence will be maintained at the 1989 level as municipal costs continue to be recovered. As a result, approximately 70% of Burnaby's existing businesses will not receive an increase in their licence fee for the third year in a row.

The basic 1992 licence fees compared to 1991 are:

	Current 1991	Proposed 1992
	\$	\$
Resident business:		
First licence	382.00	397.00
Renewal licence	123.00	123.00
Non-resident business:		
First licence	212.00	220.00
Renewal licence	62.00	62.00

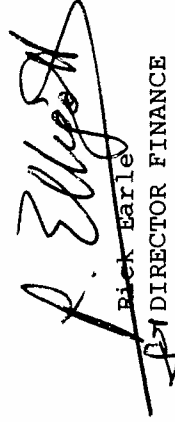
Vending machine licence fees and multiple unit accommodation fees, which are calculated on a per unit basis, would also increase by 4%.

b) Continued Implementation of the 1989 Trades Licence Review

The 1989 Business Licence Review identified the need for renewal fee increases in excess of inflation for some businesses in order to recover high administrative, inspectional and monitoring costs. Where these increases were substantial, Council approved phasing the increases over three years to reduce the short term impact. In 1992, the final stage of the phased increases will be applied.

The largest increases in renewal fees would be experienced by businesses having a higher draw on municipal resources. Most of the increased costs relate to businesses which have potentially greater environmental and/or social impacts on the community, and which require additional inspections and monitoring to ensure public health and safety. These include: Arcade, Auto Body Repair and Painting, Hotel Liquor establishment, Neighbourhood Pub, Pool Hall, Restaurant - 40 seat or take-out, Cabaret, Club, Oil Refinery and Oil Distribution/Storage.

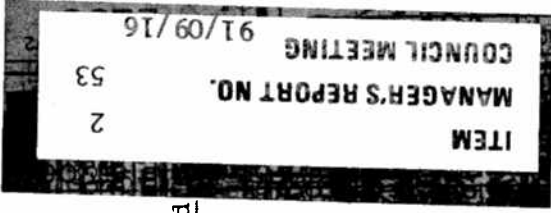
The proposed fees will increase business licence revenue by an estimated \$55,000 in 1992. This revenue will be included in the 1992 provisional budget.


 Rick Earle
 DIRECTOR FINANCE

TJ:aj
Attach.

cc. Municipal Solicitor

	New Licence		Renewal Licence	
	Existing 1991	Proposed 1992	Existing 1991	Proposed 1992
Agent	212.00	220.00	62.00	62.00
Arcade	1,287.00	1,338.00	773.00	1,048.00
Auto Body Repair & Painting	630.00	655.00	278.00	366.00
Bowling Alley	562.00	584.00	252.00	252.00
Cart	62.00	62.00	n/a	n/a
Contractor	212.00	220.00	62.00	62.00
Contractor - yard, shop, office	382.00	397.00	123.00	123.00
Curling/Ice Rink	562.00	584.00	252.00	252.00
Discotheque (Teen)	766.00	766.00	401.00	415.00
Dry Cleaning/Laundry Plant	452.00	470.00	159.00	181.00
Exercise Studio/Gym	461.00	479.00	165.00	190.00
Home Craft	247.00	257.00	52.00	52.00
Incinerator	3000.00	3,000.00	3,000.00	3,000.00
Junk Dealer	607.00	697.00	252.00	252.00
Liquor Establishment				
Hotel	2,950.00	3,000.00	1,714.00	2,326.00
Neighbourhood Pub	3,000.00	3,000.00	1,729.00	2,476.00
Beer and Wine Store	500.00	520.00	233.00	242.00
Manufacturer - General				
1 to 50 persons	532.00	553.00	212.00	263.00
51 to 150 persons	561.00	583.00	262.00	294.00
151 persons and over	664.00	691.00	346.00	400.00
Manufacturer - Processing Chemical or Flammables				
1 to 50 persons	795.00	795.00	493.00	493.00
51 to 150 persons	1,091.00	1,091.00	755.00	755.00
151 persons and over	1,102.00	1,102.00	857.00	857.00
Manufacturer - Processing Food				
1 to 50 persons	670.00	697.00	328.00	373.00
51 to 150 persons	868.00	903.00	477.00	579.00
151 persons and over	1,040.00	1,147.00	648.00	822.00
Multiple Unit Accommodation per room	8.30	8.63	8.30	8.63
Oil Refinery	3,000.00	3,000.00	3,000.00	3,000.00
Oil Storage & Distribution	3,000.00	3,000.00	3,000.00	3,000.00



	New Licence		Renewal Licence	
	Existing	Proposed	Existing	Proposed
	1991	1992	1991	1992
	\$	\$	\$	\$
Peddler - Food	289.00	301.00	129.00	134.00
Peddler - General	212.00	220.00	62.00	62.00
Personal Care Facility (Adult Nursing Home)	562.00	584.00	252.00	262.00
Personal Care Facility (Child Care)	261.00	271.00	123.00	123.00
Personal Service Establishment	419.00	436.00	137.00	146.00
Photographic Studio	526.00	547.00	208.00	257.00
Pool Hall	1,287.00	1,338.00	761.00	1,048.00
Private Hospital	1,467.00	1,526.00	914.00	1,236.00
Private School	559.00	581.00	246.00	295.00
Public Hall	454.00	472.00	246.00	246.00
Restaurant				
40 seats or take-out	708.00	736.00	315.00	415.00
41 seats to 150 seats	708.00	736.00	355.00	415.00
151 seats and over	743.00	773.00	431.00	452.00
Retail Trader - General				
1 to 10 persons	382.00	397.00	123.00	123.00
11 to 50 persons	562.00	562.00	209.00	209.00
51 persons and over	919.00	919.00	867.00	867.00
Retail Trader - Food				
1 to 10 persons	526.00	547.00	224.00	256.00
11 to 50 persons	699.00	727.00	402.00	438.00
51 persons and over	919.00	1,014.00	867.00	867.00
Service Station	488.00	508.00	183.00	217.00
Telephone Communications Facility				
1 to 50 persons	452.00	470.00	159.00	181.00
51 to 150 persons	607.00	607.00	300.00	300.00
151 persons and over	903.00	903.00	493.00	493.00
Trailer Camp or Court	499.00	508.00	252.00	252.00
Theatre - indoor	607.00	607.00	300.00	300.00
Warehouse - General				
1 to 50 persons	452.00	470.00	159.00	181.00
51 to 150 persons	454.00	470.00	209.00	209.00
151 persons and over	499.00	507.00	252.00	252.00

BUSINESS LICENCE BYLAW NO. 3089

	New Licence		Renewal Licence	
	Existing	Proposed	Existing	Proposed
	1991	1992	1991	1992
	\$	\$	\$	\$
Warehouse - Chemicals or flammables				
1 to 50 persons	628.00	653.00	339.00	364.00
51 to 150 persons	766.00	766.00	439.00	439.00
151 persons and over	937.00	937.00	621.00	621.00
Wholesaler - General				
1 to 50 persons	452.00	470.00	159.00	181.00
51 to 150 persons	488.00	507.00	209.00	217.00
151 persons and over	524.00	545.00	252.00	254.00
Wholesaler - Food, Chemicals or Flammables				
1 to 50 persons	562.00	562.00	300.00	300.00
51 to 150 persons	766.00	766.00	439.00	439.00
151 persons and over	1,091.00	1,091.00	653.00	653.00
Christmas Tree Permit	182.00	189.00	141.00	190.00
Carnival or Circus				
First Day	524.00	545.00	n/a	n/a
Second and following days	175.00	182.00	n/a	n/a

All businesses not hereinbefore classified shall pay the following fees

10 sq.ft. and over	382.00	397.00	123.00	123.00
Under 10 sq.ft.	212.00	220.00	62.00	62.00

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SCHEDULE B

CAB AND COMMERCIAL VEHICLE BYLAW NO. 3102

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New Licence Renewal Licence
Existing Proposed Existing Proposed
1991 1992 1991 1992
\$ \$ \$ \$

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For each Class "A" Taxi Cab	316.00	329.00	182.00	190.00
For each Class "H" Wheelchair Accessible Cab	316.00	329.00	182.00	190.00
For each Cab Premises	382.00	397.00	123.00	123.00
For operating each of the following business:				
Class "C" Funeral Cab	382.00	397.00	123.00	123.00
Class "D" School Cab	382.00	397.00	123.00	123.00
Class "E" Charter Cab	382.00	397.00	123.00	123.00
Class "F" Self-Drive Cab	382.00	397.00	123.00	123.00
Driving Instruction Cab	382.00	397.00	123.00	123.00
Vehicles for hire not hereinbefore enumerated	382.00	397.00	123.00	123.00
Taxi Service Broker	382.00	397.00	123.00	123.00
Taxi Cab/Vehicle Transfer	n/a	n/a	96.00	100.00

CABARET REGULATION BYLAW NO. 1481

SCHEDULE C

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New Licence		Renewal Licence	
Existing	Proposed	Existing	Proposed
1991	1992	1991	1992
\$	\$	\$	\$

Cabaret 2,772.00 2,883.00 1,709.00 2,477.00

CLUB REGULATION BYLAW NO. 3065

SCHEDULE D

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	New Licence		Renewal Licence		
	Existing	Proposed	Existing	Proposed	
Club	2,444.00	2,542.00	1,550.00	2,252.00	110
Club Manager	205.00	213.00	88.00	88.00	

SCHEDULE E

AUTOMATIC VENDING MACHINE BYLAW NO. 1914

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	<u>Existing</u> <u>1991</u> \$	<u>Proposed</u> <u>1992</u> \$
For a newspaper vending machine	28.36	29.49
For a coin-operated washer, dryer or dry cleaning machine located in residential premises containing more than 2 dwelling units	15.05	15.65
For a machine that sells goods or services for: 25 cents or less	8.65	9.00
More than 25 cents and less than 76 cents	28.35	29.48
More than 75 cents	32.85	34.16
For any amusement or recreation vending machine	61.75	64.22
For any machine offering goods or services using a credit card	61.20	63.65

