

ITEM	5
MANAGER'S REPORT NO.	60
COUNCIL MEETING	94/10/24

TO: CITY MANAGER

1994 OCTOBER 19

FROM: DIRECTOR FINANCE

File: L34

SUBJECT: 1995 BUSINESS LICENCE FEES

PURPOSE: To obtain approval for the 1995 Business Licence Fees.

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**RECOMMENDATION:**

1. THAT the following bylaws be amended to provide for the fees outlined in the attached Schedules A and B, effective 1995 January 01:
  - (a) Burnaby Business Licence Bylaw No. 3089;
  - (b) Burnaby Cab and Commercial Vehicle Bylaw No. 3012.

**SUMMARY**

This is the annual business licence fee report. A 2% increase is proposed for all new and renewal licence categories, with the exception of the specific fee adjustments proposed in four business classes. Arcade and pool hall licence fees will continue the phased increase. The renewal rates for home based businesses and restaurants will decrease to more closely reflect costs of licencing.

**REPORT**

1. **BACKGROUND**

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

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Our licencing program was reviewed and reported to Council in July of this year. This analysis showed that existing fees for new licences generally reflect costs. Renewal licence fees are in some cases higher than cost recovery and are therefore addressed in this report.

The current (1994) basic licence fee for a resident business is \$405 for a new licence and \$123 for a renewal. The current fee for a non-resident or mobile business is \$225 for a new licence and \$62 for a renewal.

The difference between the fee for a new and a renewal licence represents the non-recurring inspectional costs incurred by City departments prior to issuing a business licence. These inspections are required to determine if business operators are in compliance with applicable bylaw and statutory requirements which ensure public health and safety. Businesses requiring more than the basic inspections (e.g. arcades, 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.

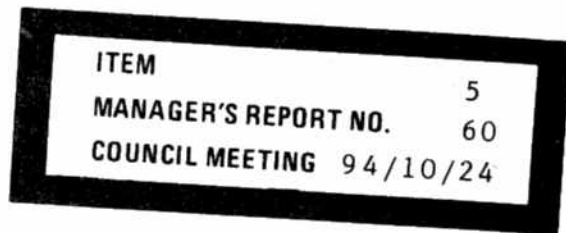
2. PROPOSED 1995 FEES

A) General Fee Adjustments

An increase of 2% is proposed for all new and renewal licence categories. This increase is consistent with inflationary projections for 1995 and offsets the decrease in licence revenue resulting from the proposed reduction in fees for two specific categories. The proposed fees are attached in Schedules A and B. The proposed basic 1995 licence fees compared to 1994 are:

	<u>CURRENT FEES</u> <u>1994</u>	<u>PROPOSED FEES</u> <u>1995</u>
<b>RESIDENT BUSINESS</b>		
- First Licence	\$405	\$413
- Renewal Licence	\$123	\$125
<b>NON-RESIDENT BUSINESS</b>		
- First Licence	\$225	\$230
- Renewal Licence	\$62	\$63

The increase in renewal fees for resident businesses (effecting approximately 70% of Burnaby based businesses) is the first since 1989.



**B) Specific Fee Adjustments**

***i) Arcades and Pool Halls***

The phased increase of licence fees for arcades and pool halls was approved by Council and initiated in 1993. This process has first year fees increasing to the \$3,000 maximum by 1996. The renewal fee for arcades and pool halls will also continue to increase by the same percentage as the first year fee. The proposed increase will help offset the costs associated with the involvement the City has with these businesses. The proposed 1995 fees compared to current 1994 are:

	<u>CURRENT FEES</u> 1994	<u>PROPOSED FEES</u> 1995
<b>ARCADE/POOL HALL</b>		
- First Licence	\$2,160	\$2,581
- Renewal Licence	\$1,690	\$2,020

The proposed fees are included in Schedule A.

***ii) Home Based Businesses and Restaurants***

The business licence review identified the home based business and restaurant renewal fees as requiring adjustments to more closely reflect cost recovery. As a result, a reduction in the renewal fee for home based businesses and restaurants is proposed for 1995. The first year fee for both categories is representative of costs and no special fee adjustment is proposed. The proposed 1995 fees compared to current 1994 fees are:


	<u>CURRENT FEES</u> 1994	<u>PROPOSED FEES</u> 1995
<b>HOME BASED BUSINESS</b>		
- Renewal Licence	\$123	\$92
<b>RESTAURANT RENEWAL LICENCES</b>		
- Takeout	\$261	\$211
- 1 to 150 seats	\$415	\$365
- 151 seats and more	\$452	\$402

The proposed changes are included in Schedule A.

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3. IMPACT ON LICENCE RENEWAL

While the adjustment in fees for home based businesses and restaurants results in a decrease in revenue (approximately \$48,000), the 2% general increase and the increase in arcade and pool hall fees will offset this and ensure revenues are maintained for 1995.

  
Rick Earle  
DIRECTOR FINANCE

CMC:sa  
Attach.

cc: Director Administrative and Community Services  
City Solicitor

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BUSINESS LICENCE BYLAW NO. 3089

	<u>NEW LICENCE</u>		<u>RENEWAL LICENCE</u>	
	<u>Existing</u> <u>1994</u> \$	<u>Proposed</u> <u>1995</u> \$	<u>Existing</u> <u>1994</u> \$	<u>Proposed</u> <u>1995</u> \$
Agent	225	230	62	63
Arcade	2,160	2,581	1,690	2,020
Auto Body Repair & Painting	668	681	373	380
Bowling Alley	596	608	257	262
Cart	62	63	62	63
Contractor	225	230	62	63
Contractor - Yard, Shop, Office	405	413	123	125
Curling/Ice Rink	596	608	257	262
Discotheque (Teen)	781	797	423	431
Dry Cleaning/Laundry Plant	479	489	185	189
Exercise Studio/Gym	489	499	194	198
Home Based Business	257	262	123	92
Home Craft	257	262	52	53
Incinerator	3,000	3,000	3,000	3,000
Junk Dealer	711	725	257	262
Liquor Establishment				
- Hotel	3,000	3,000	2,526	2,577
- Neighbourhood Pub	3,000	3,000	2,526	2,577
- Beer and Wine Store	530	541	247	252
Manufacturer - General				
- 1 to 50 persons	564	575	268	273
- 51 to 150 persons	595	607	300	306
- 151 persons and over	705	719	408	416

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BUSINESS LICENCE BYLAW NO. 3089

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	<u>Existing</u> <u>1994</u> \$	<u>Proposed</u> <u>1995</u> \$	<u>Existing</u> <u>1994</u> \$	<u>Proposed</u> <u>1995</u> \$
Manufacturer - Processing Chemical or Flammables				
- 1 to 50 persons	811	827	503	513
- 51 to 150 persons	1,113	1,135	770	785
- 151 persons and over	1,124	1,146	874	891
Manufacturer - Processing Food				
- 1 to 50 persons	711	725	380	388
- 51 to 150 persons	921	939	591	603
- 151 persons and over	1,170	1,193	838	855
Multiple Unit Accomodation - Per room	8.80	8.80	8.80	8.80
Oil Refinery	3,000	3,000	3,000	3,000
Oil Storage & Distribution	3,000	3,000	3,000	3,000
Peddler - Food	307	313	137	140
Peddler - General	225	230	62	63
Personal Care Facility (Adult Nursing Home)	596	608	267	272
Personal Care Facility (Child Care)	276	282	123	125
Personal Service Establishment	445	454	149	152
Photographic Studio	558	569	262	267
Pool Hall	2,160	2,581	1,690	2,020
Private Hospital	1,557	1,588	1,261	1,286
Private School	593	605	301	307
Public Hall	481	491	251	256
Restaurant				
- take-out	558	569	261	211
- 1 to 150 seats	751	766	415	365
- 151 seats and over	788	804	452	402

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	<u>NEW LICENCE</u>		<u>RENEWAL LICENCE</u>	
	<u>Existing</u>	<u>Proposed</u>	<u>Existing</u>	<u>Proposed</u>
	<u>1994</u>	<u>1995</u>	<u>1994</u>	<u>1995</u>
	\$	\$	\$	\$
<b>Retail Trader - General</b>				
- 1 to 10 persons	405	413	123	125
- 11 to 50 persons	573	584	213	217
- 51 persons and over	937	956	884	902
<b>Retail Trader - Food</b>				
- 1 to 10 persons	558	569	261	266
- 11 to 50 persons	741	756	447	456
- 51 persons and over	1,034	1,055	884	902
<b>Security Service (non-resident)</b>	225	230	62	63
<b>Service Station</b>	518	528	221	225
<b>Telephone Communications Facility</b>				
- 1 to 50 persons	479	489	185	189
- 51 to 150 persons	619	631	306	312
- 151 persons and over	921	939	503	513
<b>Trailer Camp or Court</b>	518	528	257	262
<b>Theatre - Indoor</b>	619	631	306	312
<b>Warehouse - General</b>				
- 1 to 50 persons	479	489	185	189
- 51 to 150 persons	479	489	213	217
- 151 persons and over	517	527	257	262
<b>Warehouse - Chemicals or Flammables</b>				
- 1 to 50 persons	666	679	371	378
- 51 to 150 persons	781	797	448	457
- 151 persons and over	956	975	633	646
<b>Wholesaler - General</b>				
- 1 to 50 persons	479	489	185	189
- 51 to 150 persons	517	527	221	225
- 151 persons and over	556	567	259	264

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	<u>Existing</u> <u>1994</u> \$	<u>Proposed</u> <u>1995</u> \$	<u>Existing</u> <u>1994</u> \$	<u>Proposed</u> <u>1995</u> \$
Wholesaler - Food, Chemicals or Flammables				
- 1 to 50 persons	573	584	306	312
- 51 to 150 persons	781	797	448	457
- 151 persons and over	1,113	1,135	666	679
Christmas Tree Permit	194	198	194	198
Carnival or Circus				
- First Day	556	567	n/a	n/a
- Second and following days	186	190	n/a	n/a
All businesses not hereinbefore classified shall pay the following fees:				
Businesses occupying 10 sq. ft. and over	405	413	123	125
Businesses occupying less than 10 sq. ft. or having no premises in Burnaby	225	230	62	63



SCHEDULE B

CAB AND COMMERCIAL VEHICLE BYLAW NO. 3102

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	<u>NEW LICENCE</u>		<u>RENEWAL LICENCE</u>	
	<u>Existing</u>	<u>Proposed</u>	<u>Existing</u>	<u>Proposed</u>
	<u>1994</u>	<u>1995</u>	<u>1994</u>	<u>1995</u>
	\$	\$	\$	\$
For each Class "A" Taxi Cab	336	343	194	198
For each Class "H" Wheelchair Accessible Cab	336	343	194	198
For each Cab Premises	405	413	125	128
For operating each of the following business:				
Class "C" Funeral Cab	405	413	125	128
Class "D" School Cab	405	413	125	128
Class "E" Charter Cab	405	413	125	128
Class "F" Self-Drive Cab	405	413	125	128
Driving Instruction Cab	405	413	125	128
Vehicles for hire not hereinbefore enumerated	405	413	125	128
Taxi Service Broker	405	413	125	128
Taxi Cab/Vehicle Transfer	n/a	n/a	100	102

