

TO: CITY MANAGER  
FROM: DIRECTOR FINANCE  
SUBJECT: 1998 BUSINESS LICENCE FEES

1997 SEPTEMBER 30

File: L34

PURPOSE: To obtain Council approval for the 1998 Business Licence Fees.

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**RECOMMENDATIONS:**

1. **THAT** the Burnaby Business Licence Bylaw be amended to increase the renewal fee for non resident business licences as specified in this report.
2. **THAT** the Burnaby Business Licence Bylaw be amended to create an escort service business classification as specified in this report.

**SUMMARY**

This is the 1998 Business Licence Fee report. Proposed changes to the 1998 licence fees involve an increase in fees for non resident renewal licences from \$63 to \$80 and the creation of an escort service classification with an annual licence fee of \$3,000. All other business licence fees would remain unchanged for 1998.

**REPORT**

Business licence fees are reviewed and, if necessary, adjusted annually to reflect changes in the business community and inspectional requirements, and to ensure 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 licence process.

The current (1997) basic business licence fee for a typical Burnaby based business is \$426 for a new licence and \$125 for a renewal. The current fee for a non resident business operating in Burnaby is \$237 for a new licence and \$63 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 the issuing of 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 and auto paint facilities) have higher fees to reflect the additional costs.

## PROPOSED 1998 FEES

### a) Non resident business licences

Non resident businesses are those business that are not based in Burnaby but come to Burnaby to conduct business. These operations are most typically construction companies operating as a contractor at a job site located in Burnaby. Other non resident businesses include agents, peddlers and security services. A recent survey of similar licence fees in other GVRD communities indicates our fee is amongst the lowest in the region over a five year period. To meet the fiscal responsibilities of the licencing program, a fee increase to the renewal non resident business licence is proposed for 1998 that would have the current renewal fee of \$63 increased to \$80.

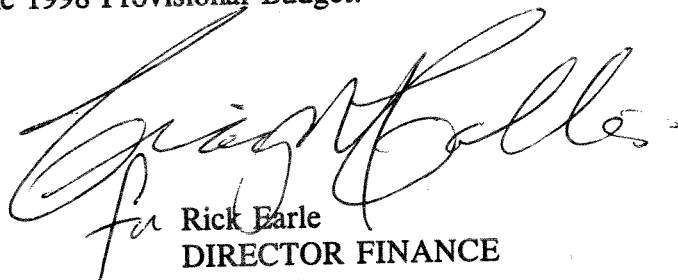
### b) Escort services

Over the past year, the Licence Office has received numerous inquiries from individuals wanting to establish escort services in Burnaby. Those expressing interest in this type of business meet with the RCMP and Licence Office staff to discuss their operation. Despite the inquiries, no licenced escort services operate in the City at this time. The current licencing process does not specifically address this type of business and instead accommodates escort services with our most general business licence (\$426 new licence and \$125 renewal licence).

To allow for the specific licencing of escort services and the recovery of costs associated with staff and RCMP involvement typical for the processing and monitoring of such operations, an escort service licence classification is proposed with a new and renewal licence fee of \$3,000.

## IMPACT ON LICENCE REVENUE

The increase in renewal licences for non resident business would increase revenue by \$20,000. This revenue would be included in the 1998 Provisional Budget.

  
for Rick Earle  
DIRECTOR FINANCE

CMC:vm

cc: City Solicitor  
O.I.C., RCMP