



Agenda No: 7.9

Mtg. Date: November 12, 2015

Governance and Services Committee

TO: Governance and Services Committee
FROM: Chris Radford
Director of Community Services
DATE: November 3, 2015
SUBJECT: Business Licensing Program – Service Review

Purpose: To present a Service Review Report for the Business Licensing Program and confirm if there are any additional issues the Board wishes to have addressed.

Executive Summary:

On January 16, 2014 the Board approved a Service Establishment Bylaw Review Schedule that has every service the Regional District provides reviewed every five (5) years. In 2015 the Business Licensing Program is one of ten services that are subject to review. In preparing this Service Review Report staff reviewed the program's mandate, goals, and activities to confirm we are achieving the Board's objective of providing efficient, cost effective services.

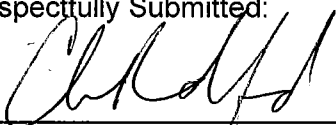
The primary objective of this program is the administration of the Central Okanagan Business Licensing and Regulations Bylaw and the Inter-Community Business License Bylaw in order to ensure businesses comply with local zoning and building regulations and to minimize the impacts of incompatible adjacency issues. This program currently administers approximately 220 business licenses, of which, more than one third currently participate in the Inter-Community Licence program and the Province's Mobile Business Registry

This service review concludes that this program is meeting its current mandate and achieving its goals. At this time staff would be pleased to answer any questions the Board may have regarding this report and ask the Board if it has any other issues they would like followed up on in this review.

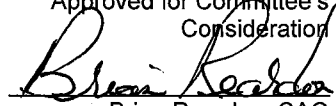
RECOMMENDATION:

THAT the Governance and Services Committee recommend the Board continue to support the current service delivery model for the Business Licensing Program.

Respectfully Submitted:



C. Radford
Director of Community Services

Approved for Committee's
Consideration

Brian Reardon, CAO

Prepared by: D. Wildeman, Manager of Fire and Inspections Services

Implications of Recommendation:

Policy: Board Policy Five Year Service Review Cycle.

Background:

The Regional Board adopted a 5 year cycle of service reviews on January 16, 2014. Business Licensing Services is scheduled for review in 2015.

The Mandate of Business Licensing Services is to ensure businesses comply with bylaws and zoning while encouraging and supporting economic opportunities within the electoral areas.

The Business License Service currently has 0.25 FTE's, comprised of, Administrative support and Management oversight.

The following pages provide more detailed background for Board review.

REGIONAL DISTRICT OF CENTRAL OKANAGAN

SERVICE REVIEW

Service Under Review: **Business Licensing 043**

Service Review Requested by: Regional Board (Service Establishment Bylaw Review Schedule Approved-Jan 16, 2014)

Year of Review: 2015

Mandate:

To provide business licensing services for the electoral areas, to ensure that businesses comply with various bylaws, in order to increase the safety and health of the community and support and encourage economic opportunities.

Program Management Goals:

- Administer the Regional District of Central Okanagan Business Licensing and Regulations Bylaw and the Inter-Community Business License Bylaw in order to:
 - Ensure that businesses applying for licenses also comply with zoning and building bylaws.
 - Reduce the impacts of incompatible uses by new and existing businesses through application of various land use and construction bylaws.
- Effectively manage resources and budget to provide an efficient business licensing program to carry out the mission statement, and:
 - Balance staffing to efficient levels that provide for the issuance of a new business license within one week in normal circumstances.
 - Ensure that license fees are set at appropriate levels to provide sufficient revenue to accommodate the target staffing/efficiency balance.
- Continue to provide excellent service by ensuring staff:
 - Are knowledgeable, and capable of professional interaction with a diverse group of stakeholders and contacts that have a wide range of understanding about the local government requirements for businesses.
 - Carry out their duties in a manner that provides for personal safety.
 - Respect the constitutional rights of the persons that they interact with.

- Are provided with training to enhance their understanding of their duties, responsibilities, and liabilities.
- Ensure that:
 - The extent and levels of service are clearly defined for staff and stakeholders.
 - Communications to stakeholders and contacts are clear and in language that is easily understood.
 - A proactive licensing program captures all active businesses and changes in use in the licensing program.

Program Activities:

- Answer public inquiries and provide information about:
 - Building bylaw requirements.
 - Business license bylaw requirements.
 - Land use bylaws.
 - Inter-Community Business License bylaw requirements.
- Process business applications by:
 - Checking for conformance with zoning bylaw and building bylaw requirements.
 - Referring applicants for other agency approvals as necessary.
 - Preparing and issuing RDCO and ICBL business licenses.
- Business license management, monitoring and compliance enforcement:
 - Monitoring the community for unlicensed businesses.
 - Compelling owners to obtain business licenses.
 - Utilizing various enforcement tools such as counseling, ticket fines, collection agencies, and court proceedings to obtain bylaw compliance as needed.

Participating Members:

Central Okanagan West and Central Okanagan East Electoral Areas

Funding: Business License Fees

Committees: Governance and Services Committee

Contracts / Agreements: Business License Bylaw 689 and Inter Community
Business License Bylaw 1261

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2014 PROGRAM BUDGET**

Program: **043 -- Business Licenses**

Department: Community Services (Inspections)

General Revenue Fund Budget

	2014 Budget	2014 Actual	Variance 2014 Act. vs. Bud.	2015 Budget	Variance: 2015 vs. 2014 Budget
Revenue:					
Business Licenses	(27,434)	(28,187)	(753)	(27,500)	(66)
Previous Year's Surplus/Deficit	(10,719)	(10,719)	0	(3,245) b	7,474
Administration OH	4,620	4,620	0	3,631	(989)
Total Revenue	<u>(33,533)</u>	<u>(34,286)</u>	<u>(753)</u>	<u>(27,114)</u>	<u>6,419</u>
Expenses:					
Operations	32,533	30,041	(2,492)	24,703 a	(7,830)
Transfer to Equipment Reserves	1,000	1,000	0	0	(1,000)
Transfer to Operating Reserve	0	0	0	2,411 b	2,411
Total Expenses	<u>33,533</u>	<u>31,041</u>	<u>(2,492)</u>	<u>27,114</u>	<u>(6,419)</u>
(Surplus) / Deficit	<u>0</u>	<u>(3,245)</u>	<u>(3,245)</u>	<u>(0)</u>	<u>(0)</u>
FTE's	0.35			0.25 a	(0.10)
Equipment Reserve Fund Balance at Y/E		(25,495)		(25,750)	
Operating Reserve Balance at Y/E		(19,657)		(22,265)	

2015 Budget Notes:

- a. Decrease: Payroll \$8K (reduced FTE from .35 to .25)
- b. Transfer a portion of surplus to operating reserve.

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2015 - 2019 Five Year Program Budget Projections**

Program: **043 -- Business Licenses**

Department: Community Services (Inspections)

General Revenue Fund Budgets

	2015 Budget		2016 Projected Budget		2017 Projected Budget		2018 Projected Budget		2019 Projected Budget
Revenue:									
Business Licenses	(27,500)		(28,978)		(29,610)		(30,182)		(30,767)
Previous Year's Surplus/Deficit	(3,245)	b	(0)		(0)		(0)		0
Administration OH	3,631		3,586		3,730		3,805		3,881
Total Revenue	(27,114)		(25,392)		(25,880)		(26,377)		(26,885)
Expenses:									
Operations	24,703	a	24,392		24,880		25,377		25,885
Transfer to Reserves	0		1,000		1,000		1,000		1,000
Transfer to Operating Reserve	2,411	b	0		0		0		0
Total Expenses	27,114		25,392		25,880		26,377		26,885
(Surplus) / Deficit	(0)		(0)		(0)		0		(0)
FTE's	0.25	a	0.25		0.25		0.25		0.25
Equip Reserve Fund Balance at Y/E	(25,750)		(27,007)		(28,278)		(29,560)		(30,856)
Operating Reserve Balance at Y/E	(22,265)		(22,487)		(22,712)		(22,939)		(23,169)

Notes

- a. Decrease: Payroll \$8K (reduced FTE from .35 to .25)
b. Transfer a portion of surplus to operating reserve.

Objective of Service Review

The objective of this review is to confirm Electoral Area Business Licensing is an efficient and cost effective service that provides prompt and courteous service to customers.

Authority Under Which The Service Is Approved

- Bylaw 689 and 1261
- Authority of the Regional District of Central Okanagan Board

Participants

By Fees

By Contract – N/A

Historical Business Licenses Issued

Year	2010	2011	2012	2013	2014
Licences	268	194	231	197	210

Historical Cost of Service5 Year Actuals

Year	2010	2011	2012	2013	2014
Expenses	25,563	17,352	7,513	46,428	31,041

- 2015 Program Budget- as attached
- 2015 – 2019 Projected Budgets- as attached

Other Financial Implications To Consider

- Reserve Balance Yes (X) No ()
 - Equipment Reserve Projected \$ 25,750 at end of 2015
 - Operating Reserve Projected \$ 22,265 at end of 2015

- Capital Investment Yes (X) No ()
 - Software and related hardware upgrades

Options For Consideration

1. Status Quo. The current delivery model is working well.

Future Service Review Considerations

- Current fee schedule should be reviewed and amended if required to reflect costs and new uses; i.e. Medical Marihuana facilities; comparable to surrounding jurisdictions.

Next Proposed Service Review Period

- 2020 as per Board resolution of 5 year cycle.

Recommendation(s) to the Regional Board

- That the Regional Board approves the continuation of the services as provided by Business License Program.