City of **Cold Lake**

STAFF REPORT

Title: Bylaw No. 675-PL-20 - Business Licence Bylaw (PH)

Meeting Date: September 8, 2020

Executive Summary:
Updated Business Licence Bylaw for Council's consideration.

Background:
The City's existing Business Licence Bylaw 196-PL-05 was originally adopted in 2005 and has not been updated or amended since that time. Administration has undertaken a review and prepared an updated Bylaw which was presented to the Corporate Priorities Committee for review and discussion at its June 16, 2020 meeting.

Following presentation of the draft bylaw to the Corporate Priorities Committee, the draft bylaw was circulated to the Cold Lake Regional Chamber of Commerce for review. The Chamber did not identify any concerns with the draft Bylaw, but had some follow-up questions regarding the professions that are exempted from obtaining a licence under Provincial legislation.

Through Administration's review process, all staff involved with the licencing process had an opportunity to review the draft and provide input. Business Licence Bylaws from other communities were also reviewed. Overall, the review determined that the bylaw was essentially sound, with a few areas requiring clarification. Given that the previous bylaw is 15 years old, it was determined that the best way to move forward would be to prepare an updated bylaw. The main revisions are outlined below:

- Clarification was added specifying that any advertisement of a business, by any means, will be considered evidence that a business is being conducted and, therefore, subject to a licence.

- All businesses will be required to provide any names that they will conduct business under. Currently, only the incorporated name is required to be provided, which makes enforcement difficult when a business operates under a different name than the actual incorporated name. As an example, a business known to the public as "John Doe Lawn Care" may actually be incorporated as "123456 Alberta Ltd." or "ABC Holdings Inc." and this would be the name on the licence. This causes some uncertainty when Administration receives inquiries from the public asking whether a particular business has a licence, as the name provided may differ from what is on the licence.

- Clarify that Business Licences are non-transferrable in the event that a business is sold to another party. A Business Licence allows a specific individual or corporate entity to conduct business; therefore, a new licence application is required when a business is sold.

- A schedule has been added to identify known professions which are exempted from obtaining a Business Licence by Provincial Legislation. Clarification was also added that any person claiming an exemption must provide proof of exemption if the profession is not included in the list.

- Penalty section has been updated and penalty amounts moved to a separate schedule.

- The fee structure has been updated to allow for reduced fees for new licence applications made part way through the calendar year (all licences expire December 31). This addresses a frequent concern from applicants, that they should pay a reduced fee if applying for a new licence part way through the year.

In 2019, the City issued a total of 678 business licences. This included 360 Commercial licences, 179 Home-Based licences, 61 Trading Area licences, and 78 Out-of-Town businesses. Based on this breakdown, the estimated licensing fees received by the City are as follows (assuming all licences issued were annual licences):

- Commercial Licences: $27,000;
- Home-Based Licences: $26,850;
- Trading Area Licences: $12,200;
- Out of Town Licences: $39,000.

Administration did not receive any comments or concerns regarding Bylaw 675-PL-20 prior to the Council report deadline.

Bylaw No. 675-PL-20 received first reading at the August 11, 2020 regular Council meeting.

Alternatives:
Public Hearing

Recommended Action:
Public Hearing

Budget Implications (Yes or No):
No

Submitted by:
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