



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: July 3, 2007
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Meeting Date: July 24, 2007

TO: Vancouver City Council

FROM: Chief License Inspector in consultation with the Director of Finance

SUBJECT: License By-law Amendments: New Fees for New Business License Categories

RECOMMENDATION

- A. THAT Council approve amendments to Schedule A of the License By-Law No.4450 to adopt new fees to coincide with new business license definitions, generally in accordance with Appendix B.
- B. THAT Council request the Director of Legal Services to prepare the necessary amendments to Schedule A of the License By-Law No.4450, generally in accordance with Appendix B.

GENERAL MANAGER'S COMMENTS

The General Manager of Community Services RECOMMENDS approval of A and B.

COUNCIL POLICY

It is Council policy that fees and charges be established on the basis of the cost of providing the associated services. In addition, it is Council policy that new or expanded service costs be fully offset by expenditure reduction or new revenues.

PURPOSE & SUMMARY

The purpose of this report is to seek Council approval to amend the License By-Law No.4450 (Schedule A) to reflect new fees to coincide with new business license categories in the License By-Law which was approved by Council at the Standing Committee on Planning & Environment on March 1st, 2007 (RTS #06532).

BACKGROUND

At the Standing Committee on Planning & Environment, Council approved the report *Regulation and Service Improvements Affecting Small Businesses (RTS#06532)* to adopt new definitions for certain small businesses included in Zoning and Development By-law, Downtown Official Development Plan, Downtown Eastside/Oppenheimer Official Development Plan, License By-law, Parking By-law, and Building By-law. These by-law amendments were intended to reduce processing times and streamline the application process for small business operators who are seeking to move into new locations in existing commercial buildings.

The License By-law was amended to add new definitions for the following businesses:

- Beauty and Wellness Centre,
- Personal Training Centre, and
- Health Care Office.

The following existing definitions were amended:

- Barber Shop or Beauty Salon,
- Fitness Centre, and
- Health Enhancement Centre.

These changes necessitate altering Schedule A of the License By-Law No.4450 to reflect newly defined licenses. See Appendix A for the new and amended definitions.

DISCUSSION

Fee Rationale

The proposed fee changes to Schedule A of the License By-law are outlined below and listed in Appendix B. The recommended fees are as follows:

- *Barber Shop or Beauty Salon* (previously called a *Hairdressing Salon*) is proposed to be \$254 for the initial license and \$204 per annum to renew. This fee was set because the newly defined category, *Barber Shop or Beauty Salon*, replaces *Hairdressing Salon* so the same fee is proposed for the amended definition.
- *Beauty and Wellness Centre* is proposed to be \$315 for the initial license and \$265 per annum to renew. This business license fee is slightly greater than the *Hairdressing Salon* (newly defined as *Barber Shop or Beauty Salon*) because it includes many services under this category (i.e. pedicures, manicures, facials, waxing, etc.) that, previously, would have required separate individual licenses to operate in one location.

- *Health Care Office* is proposed to be \$160 for the initial license and \$110 per annum to renew. This fee was set because this type of business does not require additional departments to review the application like other categories, such as *Health Enhancement Centre*, which must be reviewed by the Vancouver Police Department and Vancouver Coastal Health, necessitating a higher fee. The basic licensing fee, as defined in Schedule A, was applied to *Health Care Office* because it requires minimal staff processing time.
- *Personal Training Centre* is proposed to be \$160 for the initial license and \$110 per annum to renew. Also, these businesses are significantly smaller than a *Fitness Centre* which faces a fee of \$204 per annum; therefore staff determined that the fee for a *Personal Training Centre* should be less than that for a *Fitness Centre* and the same as general office or retail.
- *Acupuncturists* is recommended to be repealed because this profession is now included under the newly defined *Health Care Office*. As such, acupuncturists would face the proposed business licensing fee of \$110 per annum instead of \$204 per annum.

These proposed fee adjustments would take effect immediately and new licensees would face a pro-rated fee for the remainder of 2007. This fall the License Office will propose to Council the annual business license fee review to account for inflationary adjustment and estimated growth in City costs for the following year. Notably, the new license categories and corresponding fees will be subject to the same inflationary adjustments.

FINANCIAL IMPLICATIONS

The financial implications of these proposed fee changes will be minimal. There will be a marginal reduction in revenue generated due to the *Acupuncturist* fee being reduced from \$204 to \$110 however; this will be off-set by the increased revenue generated through the proposed fee structure for the *Beauty and Wellness Centre* category. Some professions that once secured a *Health Enhancement Centre* (\$205) business license will now be reclassified under a *Beauty and Wellness Centre* business license at \$265. As a result, staff anticipate this fee structure changes will have a minimal impact on overall business license revenue.

CONCLUSION

This report seeks Council approval to amend the License By-Law No.4450 (Schedule A) to reflect new fees to correspond with the new business license definitions. New and amended definitions to the License By-law were approved by Council at the Standing Committee on Planning & Environment on March 1st, 2007 (RTS #06532).

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Business License Definition Amendments made to License By-law No.4450

- (a) Barber Shop or Beauty Salon: any premises where the primary purpose is the styling, cutting or chemical treatment of hair.
- (b) Beauty and Wellness Centre: the use of premises to improve beauty and wellness through styling, cutting, or chemical treatment of hair and through skin and body treatments, including pedicures, manicures, facials, microdermabrasion, electrolysis, waxing, laser, hydrotherapy, anti-aging, skin rejuvenation therapy, aromatherapy, stone therapy massage, and relaxation message but excludes fitness centre and personal training centre.
- (c) Health Care Office: the use of premises by professions in which persons exercise skill or judgement or provide service related to the preservation or improvement of the physical, mental, or emotional health of individuals, or the treatment or care of individuals who are injured, sick, disabled or infirm, including chiropractors, dentists, optometrists, physicians, surgeons, dental hygienists, dental technicians, denturists, dietitians, licensed practical nurses, massage therapists, midwives, naturopathic physicians, nurses (registered), nurse practitioners, occupational therapists, opticians, physical therapists, psychologists, registered psychiatric nurses, traditional Chinese medicine practitioners, and acupuncturists, and other health care and social service practitioners including counsellors and herbalists but excludes beauty and wellness centre, detoxification centre, hospital, health enhancement centre, hospital, laboratory, social service centre, and special needs residential facility.
- (d) Personal Training Centre: the use of premises for the provision of physical fitness or personal training including yoga, pilates, and weight loss if the exercise or instruction is primarily on a one-to-one basis, and the premises do not exceed 200m² gross floor area.

The following definitions were amended to coincide with new definitions outlined above.

- (a) Fitness Centre: the use of premises for the development of physical fitness including health centres, gymnasias, racket and ball courts, and reducing salons if the training or instruction is primarily in group sessions or classes but excludes Personal Training Centre.
- (b) Health Enhancement Centre: the use of premises to enhance health through therapeutic touch techniques including shiatsu, reflexology, biokinesiology, hellework, polarity, reiki, rolfing, and trager but excludes Fitness Center, Beauty and Wellness Centre, and Personal Training Centre.

Proposed Amendments to License By-Law No.4450

In Schedule A, include the following three new business license categories with the corresponding license fees as indicated:

- Barber Shop or Beauty Salon - \$254 for the initial license and \$204 per annum to renew
- Beauty and Wellness Centre - \$315 new license and \$265 per annum renewal
- Health Care Office - \$160 new license and \$110 per annum renewal
- Personal Training Centre - \$160 new license and \$110 per annum renewal

In Schedule A, delete the “Acupuncturists” and “Hairdressing Salon” business license categories along with the corresponding fees.