



# CORPORATION OF THE TOWNSHIP OF ESQUIMALT

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## Legislation Details (With Text)

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## REQUEST FOR DIRECTION

**DATE:** May 7th, 2018      Report No. CSS-18-007  
**TO:** Laurie Hurst, Chief Administrative Officer  
**FROM:** Blair McDonald, Director, Community Safety Services  
**SUBJECT:**  
Business Licence Options

### ESSENTIAL QUESTION:

Does Council wish to direct staff to make changes by bylaw to the business licensing process to allow for a new licensing option where business owners can opt into purchasing a Vancouver Island wide business licence?

### RECOMMENDATION:

That the Committee of the Whole direct staff to prepare a bylaw for Council's consideration to allow for a new business licensing option where business owners can opt into purchasing a Vancouver Island wide business licence.

### BACKGROUND:

On February 8, 2018 representatives from the Central Island Inter Community Business Licence (ICBL) and Greater Victoria Inter-municipal Business Licence groups as well as the Cowichan Valley Regional District met in Duncan to discuss expanding partnerships throughout Vancouver Island. Invitations were also extended to northern (Alert Bay, Port Alice, Port Hardy and Port McNeil) and western Vancouver Island (Tofino and Ucluelet) communities that are considering intercommunity

business licence partnerships.

Business licence analysis carried out by the Province of British Columbia (Province) indicates that expanded ICBL partnerships will support a significant number of mobile businesses throughout Vancouver Island by reducing unnecessary administrative burden, fostering positive intercommunity partnerships, increasing compliance, and displaying business friendliness, all without substantial impact to municipal revenues.

In 2017, the Province requested business licensing information and received data from a little over half of participating Central Island and Greater Victoria ICBL communities. The data shows that approximately 10% of non-resident businesses purchased licences in both Central Island and Greater Victoria communities.

Statistics Canada indicates that over 32,000 businesses on Vancouver Island are in the construction sector alone. This number is the best figure the Province has representing the total businesses that might be mobile in nature throughout Vancouver Island. If we assume that 10% of these businesses are working between ICBL regions, then a substantial 3,200 businesses could benefit from broader ICBL partnerships.

Created in partnership with local governments, the Union of British Columbia Municipalities and the Province, ICBL agreements streamline and simplify the licensing process, making it easier to do business in participating communities. ICBLs allow mobile businesses (e.g. contractors, caterers, and other service providers) to operate across the participating government jurisdictions, without having to apply for multiple businesses licences.

The Greater Victoria Inter-Municipal Business Licence program has successfully met these goals since 2001 and the Central Island ICBL program has done likewise since 2014.

Communities continue to recognize the benefits and success of the ICBL programs. British Columbia now benefits from 15 intercommunity business licence agreements with 91 different participating communities, including four new agreements launched in the Kootenays and northeast in 2017. More information can be found at [www.gov.bc.ca/smallbusiness](http://www.gov.bc.ca/smallbusiness) <<http://www.gov.bc.ca/smallbusiness>>.

## **ISSUES:**

Expanding the Central Island ICBL agreement is a straightforward process to build on success and expand partnerships throughout Vancouver Island.

Central and Greater Victoria communities considered several partnership options and agreed expanding the Central Island ICBL was clearly the best option. The process to amend the bylaw only requires adding new communities to the list of participating municipalities and updating the fee to \$170.

Greater Victoria communities will adopt the amended Central Island ICBL and maintain the Greater Victoria Inter-municipal business licence as a \$100 option for local mobile businesses.

Mobile businesses are likely to accept the nominal \$70 increase in the ICBL fee (from \$100 to \$170) in return for the ability to work more broadly throughout partnering Vancouver Island communities.

In order to expand the ICBL partnership, the name of new communities will be added to the list of

participating municipalities. In order to maintain ICBL revenues, the ICBL fee will be increased to \$170.

In order to prorate the ICBLs, the Township can establish the ability to pro-rate the ICBL on the same basis that the Township pro-rates its municipal business licence.

The Province drew upon a thorough analysis of 2017 Metro West Vancouver business licensing data as a sound model that indicated an increased fee by 12% supported revenue neutrality. The Central Island ICBL is presently \$150 and when multiplied by 1.12 equals \$168, which can be rounded up to a \$170 fee for a Vancouver Island-wide ICBL fee that maintains existing ICBL revenues.

At an October 30, 2017 Central Island ICBL progress meeting, representatives agreed that prorating will increase compliance and at least maintain revenues in compensation for ICBL inspection and administrative services.

Expanding and prorating the ICBL program provides participating communities opportunity to celebrate the ongoing success of the program and display new business friendly initiative. Communities could use business licence renewal notices to raise awareness about the newly expanded and prorated business friendly ICBL opportunity.

The Province will provide exemplary communication pamphlets from other ICBL agreement groups in British Columbia to help Vancouver Island ICBL communities develop and tailor their own communications for inclusion in their business licence renewal notices and raise awareness about their increasingly business friendly program.

The Province may also help communities raise awareness and celebrate expanded program and prorating opportunity through a jointly developed news release.

#### **ALTERNATIVES:**

1. That the Committee of the Whole direct staff to prepare a bylaw for Council's consideration to allow for a new business licensing option where business owners can opt into purchasing a Vancouver Island wide business.
2. That the COTW provide alternative direction to staff.
3. That the COTW request further information from staff.