

INFORMATION REPORT

TO:	Chair and Members Planning Committee
COMMITTEE DATE:	November 1, 2016
SUBJECT/REPORT NO:	Business Licensing Audit Update (City Wide) (PED13037(d)) (Outstanding Business List Item)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Ken Leendertse (905) 546-2424 Ext. 3059 Marty Hazell (905) 546-2424 Ext. 4588
SUBMITTED BY:	Jason Thorne General Manager Planning and Economic Development Department
SIGNATURE:	

Council Direction:

On March 26, 2014, Council approved Item 18 of Audit, Finance and Administration Committee Report 14-002 respecting the “Performance Audit Report 2013-14 – Unlicensed Businesses (Value for Money Audit) (AUD14008)”. Sub-section (b) of Item 18 recommended that the General Manager, Planning and Economic Development, report back on the resources and costs to implement the recommendations of the Report.

On May 14, 2014, Council approved Item 5 of Audit, Finance and Administration Committee Report 14-004 respecting the “Enforcement of Businesses Operating Without a License (PED13037(b))” which transferred an FTE position from a Parking Enforcement Officer to create a Licensing and Permits Officer to work solely on the list of 684 potentially unlicensed businesses and proactively identify other unlicensed businesses.

On May 19, 2015, the Planning Committee directed staff to report back to the Committee within a year with respect to the Business Licensing Audit Review Update relative to the justification of revenues vs FTE (Information Item (d)(i) of Planning Committee Report 15-009, approved by Council on May 27, 2015).

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Information:

Based on the May 14, 2014 Council-approved transfer of 1.0 FTE from Parking Enforcement to Licensing, the work of this Officer not only cleared up the issues identified by the Internal Audit, but it also focused on Mobile Licensing issues, specifically Taxis, Limousines and Food Trucks, and the pro-active enforcement of businesses operating within the City, to ensure compliance with the Business Licensing By-law.

Since 2014, this one Licensing and Permits Officer has personally completed inspections on various businesses, ensuring they are compliant and safe according to the City's Business Licensing By-law. His work has assisted the work of Mobile Enforcement within the Section, which focuses on Taxis, UBER, Food Trucks, Adult Entertainment and Massage Parlours, as well as other mobile licences that are not connected to a property address.

In addition, the Officer has pro-actively located 20 businesses that were operating without the appropriate licence(s).

The following statistics are directly attributable to the Officer's work in Licensing:

- 7 Multi-Agency Task Force (MATF) Inspections with Police/Fire and Public Health Services;
- 4 Ministry of Transportation / OPP Traffic Safety Blitz of Taxis;
- 2 Inspections with Public Health Services and Ministry of Finance;
- 550 Business License Inspections;
- 100 Adult Entertainers (Dancers) checked for compliance;
- 2 Unlicensed Massage Parlours charged;
- 6 Charges involving Adult Entertainers operating outside of Schedule;
- 21 Mobile Business Licences charged, including Taxis and UBER;
- 2 Tribunal Investigations under Schedule 25 (Taxi Industry);
- 60 Overhanging Signs inspected for Safety (generating approximately \$4,000 in Fees);
- Approximately \$10,000 in new annual revenue from unlicensed businesses; and,
- 31 Total Charges (generating approximately \$5,500 in fine revenue).

Unless advised otherwise, the transfer of the one FTE is now considered permanent. The previous Parking Control Officer position at a cost \$80,000 would generate approximately \$166,000 of parking enforcement revenue. The Licensing Officer position at a cost of \$90,000 is not based solely on revenue generation, but also on the safety of the community. The Divisional net cost is estimated at \$176,000 annually. The Parking Enforcement Section is projecting to be on budget for parking fines for 2016. Therefore, the additional cost can be absorbed in the Divisional operating budget.

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As this Report addresses the issue included on the Outstanding Business List of the Planning Committee, it is appropriate to be deemed complete and removed from the referenced List.

KL:MH:cab