



CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Licensing and Bylaw Services

TO:	Chair and Members Planning Committee
COMMITTEE DATE:	June 20 2017
SUBJECT/REPORT NO:	Business Licensing By-law 07-170 – Pawnbrokers (Schedule 5) (PED17103) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Monica Ciriello (905) 546-2424 Ext. 6656
SUBMITTED BY:	Ken Leendertse Director, Licensing and By-law Services Division Planning and Economic Development Department
SIGNATURE:	

RECOMMENDATION

That the Business Licensing By-law 07-170 be amended to include the draft By-law “Pawnbrokers” (Schedule 5) attached as Appendix “A” to Report PED17103, which has been prepared in a form satisfactory to the City Solicitor.

EXECUTIVE SUMMARY

Salvage and Second-Hand Goods, Pawnbrokers and Jewellery and Precious Metals Businesses are currently licensed under Schedule 22. Upon review and in conjunction with internal and external consultations it was determined that the licence holders under Schedule 22 should continue to be licensed, however through stand-alone Schedules.

Pawnbrokers are licensed by the City to protect consumers, ensure goods made available for resale are not stolen and establish proper business practices, including having the business operators keep purchase records that may be examined by the Hamilton Police Service (HPS) for investigative purposes. Licensing is intended to benefit the community by aiming to prevent, mitigate or redress losses to, or practices which may negatively impact these business owners and members of the community.

The review and rewrite of the Business Licensing Bylaw 07-170 (Licensing By-law) is a key element of PED’s ongoing Open for Business initiative. The primary objectives of reviewing the Licensing By-law are to modernize our approach, increase clarity and ease of understanding and remove unnecessary regulation. This report proposes to license Pawnbrokers (Schedule 5) in a standalone Schedule.

Alternatives for Consideration – Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: N/A

Staffing: The proposed changes will have little to no impact on staff time, as administration and enforcement of this Schedule is still required.

Legal: N/A

HISTORICAL BACKGROUND

The *Municipal Act, 2001* provides Council with the authority to regulate, including license, any business, wholly or partly, carried out within its jurisdiction. The justifications for licensing certain types of businesses generally relate to the health and safety, consumer protection and nuisance control.

In 2000, a Licensing Implementation Team comprised of representatives from the Cities of Hamilton and Stoney Creek and the Towns of Flamborough, Dundas and Glanbrook and the Regional Health Unit were tasked with reviewing the existing licensing by-laws and incorporating them into one by-law for the new amalgamated municipality. There has been no comprehensive Licensing By-law review since amalgamation. The Licensing Section identified the need to modernize the Licensing By-law. The current Licensing By-law is a compilation of amendments passed by Council over many years and contains licensing categories that require updates. The review and rewrite of the Business Licensing By-Law is a key element of PED's ongoing Open for Business initiative. The primary objective of rewriting the By-law is to delete duplication; increase clarity and ease of understanding; clarify intent; remove unnecessary regulation; and improve overall readability.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

N/A

RELEVANT CONSULTATION

Hamilton Police Services
BEAR Unit (Break and Enter, Auto Theft and Robbery)
Pawn Investigator
Scrap Investigator

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OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

OUR Priorities: Community Engagement & Participation; Economic Prosperity and Growth; Healthy and Safe Communities; Clean and Green; Built Environment and Infrastructure; Culture and Diversity and Our People and Performance.

Corporate Services

Finance and Administration

City Clerks - Access and Privacy Office

Legal Services

ANALYSIS AND RATIONALE FOR RECOMMENDATION

Salvage and Second-Hand Goods, Pawnbrokers and Jewellery and Precious Metals Businesses are currently licensed under Schedule 22. Licensing Pawnbroker businesses within the City has been a useful tool to mitigate risk and ensure the municipal purpose of consumer protection is achieved. Following external consultation with stakeholders in May 2016, licence holders asked that the Pawnbroker Schedule be separated into a stand-alone schedule to increase clarity and ease understanding. It was determined that each of the separate businesses under Schedule 22 would benefit from operating under a separate licensing schedule which recognizes the distinctions between the businesses.

Prior to municipal amalgamation Pawnbrokers were licensed in the Cities of Hamilton and Stoney Creek and Town of Dundas. Appendix “B” attached to Report PED17103 shows the number of Pawnbroker licences held each year in the City of Hamilton from 2001 to 2016.

Appendix “C” attached to Report PED17103 compares the licensing practices among the 33 Ontario municipalities regarding Pawnbrokers. It shows that 20 other municipalities have a similar licensing category.

Since 2001, there have been no complaints, investigations, charges or convictions under this licensing category.

The *Pawnbrokers Act* (“Act”) outlines the statutory requirements that Pawnbrokers must adhere to in Ontario. Municipalities have the authority to licence Pawnbrokers under by-laws and exceed the requirements of the *Act* so long as the licence requirements do not conflict with the *Act*.

After reviewing the requirements outlined for Pawnbrokers it was determined that updating was required. The proposed Pawnbroker Schedule is a separate stand-alone schedule, which includes a requirement to review the Identifiable Stolen Property list circulated by Hamilton Police Services and a requirement to notify Hamilton Police Services of any goods which are believed to have been stolen or unlawfully obtained.

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ALTERNATIVES FOR CONSIDERATION

N/A

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Engagement & Participation

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community.

Economic Prosperity and Growth *Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.*

Our People and Performance

Hamiltonians have a high level of trust and confidence in their City government.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A”: Draft By-Law amending the Business Licensing By-law

Appendix “B”: Total Number of Licences: 2001-2016

Appendix “C”: Best Practices in Ontario Municipalities

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