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**Title:** Bylaw 25/2017 - Business License Bylaw  
Presented by: Dawn Fedorvich, Acting Manager of Business Retention & Expansion

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Bylaw 25-2017 - Amendment to Business License Bylaw, 2. Bylaw 43-2000 (with amendments of Bylaw 25-2017 highlighted)

Date	Ver.	Action By	Action	Result
4/3/2017	1	City Council	approved	Pass
4/3/2017	1	City Council	approved	Pass
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TAMRMS#: B06

**Bylaw 25/2017 - Business License Bylaw**

Presented by: Dawn Fedorvich, Acting Manager of Business Retention & Expansion

**RECOMMENDATION(S)**

1. That Bylaw 25/2017, being amendment 17 to Business Bylaw 43/2000, be read a first time.
2. That Council Members provide feedback to Administration on Bylaw 25/2017, provided as an attachment to the April 3, 2017 agenda report entitled "Bylaw 25/2017 - Business License Bylaw" by April 13, 2017.
3. That Administration incorporate feedback received from Council Members into Bylaw 25/2017 and bring back for Council consideration by a date to be determined by Agenda Committee.

**PURPOSE OF REPORT**

This report is to request direction from Council to amend Business License Bylaw 43/2000. Bylaws are required to be reviewed regularly to ensure relevancy. Administration is recommending a few minor changes to clarify some of the terminology within the bylaw. Administration is also adding clarity to the status of Farmers' Market vendors and vendors who are part of a special event and recommending an additional prorated fee.

**COUNCIL DIRECTION**

None.

## BACKGROUND AND DISCUSSION

The Business License Bylaw was last updated in 2012 to add regulations for restricted products. Since then, only license fee adjustments have been made as a part of amendments to the Master Rates Bylaw 1/82.

Administration has reviewed the bylaw through the perspective of a new business starting operations in St. Albert. A thorough review of other municipal business license bylaws was also conducted. In addition to minor and clerical amendments, three substantive amendments are being recommended.

### *Terminology Change*

Section 3 for Schedule A in the Business License Bylaw contains the following definitions:

- (a) "Resident Business" means a person who
  - (i) resides in St. Albert and carries on or operates a business in St. Albert,
  - or
  - (ii) carries on or operates a business from premises in St. Albert which the person owns or rents.
  
- (b) "Non Resident Business" means any other person who carries on or operates a business in St. Albert.

Administration recommends changing the term "Resident Business" to "In Town Business" and changing the term "Non Resident Business" to "Out of Town Business." This recommendation is made to alleviate confusion between location of residency and location of business. i.e. A St. Albert resident that has a business located in Edmonton that wishes to do work in St. Albert would require an "Out of Town" business license.

### *Farmers' Market and Special Events Exemptions*

Traditionally, vendors participating in the St. Albert Farmers' Market and other special events have not been required to obtain a Business License. The bylaw currently makes no mention of the Farmers' Market or special events; therefore, the exemption provided to vendors has been a procedural policy, at the discretion of Administration and the License Inspector. The St. Albert and District Chamber of Commerce currently has a licensing agreement with the City to operate the Farmers' Market and the agreement excludes licensing fees for individual vendors.

Administration recommends the addition of Farmers' Market and special events vendors to section 7 of the bylaw which lists businesses that may operate in St. Albert without a Business License. This change will ensure complete clarity in regards to the applicability of the bylaw to Farmers' Market and special events vendors and will ensure that the exemption is legally established instead of a discretionary policy. The added section will appear as follows:

- 7.(1) The following persons may carry on or operate a business in St. Albert without a Business License:
  - (e) a Business carried on by any Person as part of a special event permitted by the chief administrative officer or designate;
  - (f) a Business carried on by any Person as part of the St. Albert Farmers' Market
- 7. (2) notes that if only part of a business is covered by one of the above exemptions, the

business must comply with the bylaw in respect to any part of the business that is not exempted. This means that if a business operates in St. Albert outside of the scope of a special event or the Farmers' Market, they will still be required to obtain a business license.

### *Prorated Fees*

Business Licensing runs on the calendar year renewal cycle; all licenses issued in St. Albert expire on December 31<sup>st</sup> of the year they are issued in and must be renewed for the following year if business operations continue.

Currently the Bylaw allows for one prorated fee in September. This provision allows new businesses that begin operations in St. Albert on or after September 1<sup>st</sup> to pay a reduced business license fee in their first year of operations for the remaining four (4) months of the calendar year. If a new business begins operations before September 1<sup>st</sup>, they must pay the full year's fee regardless of when they begin operations.

Administration has researched licensing fee structures in other municipalities in the Capital Region and based on this research, Administration is recommending the addition of another prorated fee starting May 1 of each year. This change will allow new businesses that begin operations on or after May 1 to benefit by a lower license fee in their first year of operations and will position St. Albert as a good place to start a business. Administration is recommending a rate of 75% of the annual fee for businesses opening between May 1 and August 31 and 50% of the annual fee for businesses opening after September 1.

## **STAKEHOLDER COMMUNICATIONS OR ENGAGEMENT**

An internal stakeholder committee formed to oversee the Business Bylaw revisions supports this recommendation. The Economic Development Advisory Board also supports this recommendation as a way to encourage business start-ups in St. Albert at any time of the year.

## **IMPLICATIONS OF RECOMMENDATION(S)**

Financial: Administration calculates these amendments will result in approximately 2.1% revenue reduction in 2018. Based on 2016 business licensing numbers, this would be \$17,824.

Legal / Risk: Legal Services has reviewed and assisted in the drafting of the proposed Bylaw amendments.

Program or Service: none at this time

Organizational: none at this time

## **ALTERNATIVES AND IMPLICATIONS CONSIDERED**

If Council does not wish to support the recommendation, the following alternatives could be considered:

- a) Council could forego the opportunity for further input and pass all three readings of Bylaw 25/2017 as presented.
- b) Council may choose to leave the Bylaw 43/2000 unchanged.
- c) Council may choose to recommend a different fee structure for Bylaw 43/2000

## STRATEGIC CONNECTIONS

- a) Council's Strategic Outcomes and Priorities (See Policy C-CG-02)
  - CULTIVATE ECONOMIC PROSPERITY: A diversified, robust and resilient economic foundation to support growth and community service delivery.
  - CULTIVATE SUSTAINABLE INFRASTRUCTURE AND SERVICES: A growing community that has balanced development and management of civic facilities, transportation networks and related services.
- b) Long Term Plans (e.g. MDP, Social Master Plan, Cultural Master Plan, etc.)
  - N/A
- c) Corporate Objectives (See Corporate Business Plan)
  - Deliver programs and services that meet or exceed our standards
  - Ensure our customers are very satisfied
- d) Council Policies
  - N/A.
- e) Other Plans or Initiatives (Business Plans, Implementation Strategies, etc.)
  - N/A

Report Date: April 3, 2017

Author(s): Joan Barber

Committee/Department: Economic Development

General Manager: n/a

City Manager: Kevin Scoble