## **EXTRACT FROM COUNCIL MEETING MINUTES OF NOVEMBER 15. 2016**

Item 2, Report No. 40, of the Committee of the Whole (Working Session), which was adopted, as amended, by the Council of the City of Vaughan on November 15, 2016, as follows:

## By receiving the following Communications:

- C4 Ms. Paula J. Tenuta, BILD, dated November 4, 2016; and
- C5 Director, By-law & Compliance, Licensing & Permit Services, dated November 11, 2016.

## 2 INTRODUCTION OF NEW LICENSING CATEGORIES AND LATE RENEWAL FEES

The Committee of the Whole (Working Session) recommends:

- 1) That the recommendation contained in the following report of the Director of By-law & Compliance, Licensing & Permit Services, dated November 7, 2016, be approved;
- 2) That the deputation of Mr. Jon-Carlos Tsilfidis, Building Industry & Land Development Association (BILD), UpJohn Road, Toronto, be received and the comments referred to staff for consideration; and
- 3) That Communication C1, presentation material titled "Licensing By-law Review, Introduction of New Business Categories", be received.

#### **Recommendation**

The Director of By-law & Compliance, Licensing & Permit Services, in consultation with the Deputy City Manager, Community Services, the City Solicitor, and the Treasurer & Chief Financial Officer, recommends that City Council:

- 1. Approve, in principle, the amendments to Licensing By-law No. 315-2005, as amended, and Fees and Charges By-law No. 171-2013, as amended, as listed in Schedule A of this report and subject to wording and format satisfactory to the City Solicitor; and
- Authorize City staff to undertake any actions necessary to give effect to the by-law amendments.

#### **Contribution to Sustainability**

In order to ensure the livability of the city, maintain quality of life, protect community standards, and support economic diversity and sustainability, staff have identified and are recommending that the identified categories of businesses, predominantly within the various trades, be brought within a business licensing framework that will increase the city's role in ensuring a broader and more sophisticated level of consumer protection, including licensing requirements for businesses to comply with all applicable by-laws respecting the goods and services they provide to the public; as well as the manner in which such services are provided.

## **Economic Impact**

Total net revenues arising from the recommendations of this report are expected to be \$100,919 in 2017. Revenues derived from business licensing are intended to offset costs associated with the administration and enforcement related work. A further financial analysis is provided in the background and analysis section of this report.

It should be noted that the above revenues will partly offset the hiring of two Special Enforcement Officers, as provided for in the Department's 2017 operating budget submission.

### **EXTRACT FROM COUNCIL MEETING MINUTES OF NOVEMBER 15. 2016**

Item 2, CW(WS) Report No. 40 - Page 2

## **Communications Plan**

Upon approval, City staff will undertake a public awareness campaign, which may include publishing a series of ads in local newspapers and posting information on the City's website. The City will also reach out to City-approved professional association members by placing ads in relevant association publications and creating information packages relevant to each licence category.

Licensees will be notified of the new late renewal fees on their notices of renewal.

Notices of renewal shall also advise licensees of changes to their renewal date and the pro-rated fee to be paid upon renewal.

Notice of the amendments to the Fees and Charges By-law recommended in this report was conducted in accordance with Section 4(4) of the City's Notice By-law No. 392-2002.

## **Purpose**

The purpose of this report is to seek Council authorization to license a number of new categories of businesses to better ensure consumer protection and to introduce a late renewal fee to curb late business licence renewals and lapsed licences. In addition, staff are also seeking approval to amend the renewal date for licences in order to streamline workloads and improve service to residents.

### Background - Analysis & Findings

#### General Authority and Municipal Purpose

The authority and powers afforded to the City for licensing of businesses, trades and callings, is derived from Part IV of the Municipal Act, 2001, as amended. The general jurisdictional principle includes establishing a municipal purpose. In addition, the general aim of business licensing is to protect the health and safety of the public, to protect consumers, and to control nuisances. In determining whether there is a need to license, staff ensured what is being proposed meets these legislative requirements and the greater public interests. In addition, staff undertook an analysis of systemic consumer concerns that arise from certain types of business operations and determined that the introduction of a licensing regime would assist in enhancing consumer protection as a whole and would provide an additional method of addressing some of the existing systemic problems (e.g. proliferation of lawn signs).

As the fifth fastest growing City in Canada, the City of Vaughan continues to experience unprecedented community growth and expansion, moving from a more rural community to a vibrant urban hub. With this ever expanding community growth comes the inevitable market and economic growth that is needed to service growing consumer needs. While new housing continues to expand across the City, continuing to attract new residents, the City has also established a quality of life where long-term residents continue to make Vaughan their city of choice. In both circumstances, home improvements such as renovations, new fences, pools, hot-tubs, landscaping, driveway widening are an on-going and growing service need. Recent base data reveals that the number of business operating in Vaughan has increased by approximately 50% over the last ten years.

However, while there are many reputable small businesses that contribute to the City's economy and the quality of life for residents, there are also systemic issues that have arisen from the vast number of business operations, including things such as illegal dumping, lawn and bag signs, sticker signs on traffic and other City infrastructure. More importantly, not having a regulatory regime in place for such businesses results in an increased risk for homeowners who engage

### **EXTRACT FROM COUNCIL MEETING MINUTES OF NOVEMBER 15. 2016**

## Item 2, CW(WS) Report No. 40 - Page 3

these services and are later subject to the attention of the City for non-compliance matters (e.g. unlawful driveway widening); with no ability for the City to deal with the persons/businesses responsible for creating the circumstances. Without the introduction of some control mechanisms through the introduction of a licensing regime, homeowners and residents are left vulnerable and at a considerable disadvantage. In addition, through the process of licensing, homeowners and residents can take additional comfort and confidence when engaging such businesses that the City has vetted the operator, to include Criminal Background Clearance, membership in good standing in a City-approved professional association (addressed later in this report), that the business is well versed and knowledgeable in all applicable laws, and that the business operator has the required skills and training to carry out the work. These matters are further addressed below.

## Health and Safety

The City has a comprehensive regulatory regime consisting of numerous by-laws intended to address and mitigate potential threats to the health and safety of the public. One example of such regulations pertains to swimming pools and pool enclosures. Staff continually come across instances where the work performed does not meet by-law requirements (such as improper enclosures) or where the manner in which the work is carried out is not proper (such as when a pool is filled without the appropriate temporary fencing). Through licensing, in addition to the responsibility of a homeowner, the City can hold contractors responsible for meeting the appropriate standards and complying with relevant municipal by-laws.

## Consumer Protection

Through the process of licensing, certain qualifications and requirements will need to be met in order to obtain a license and maintain the ability to operate within the City. These requirements include, but may not be limited to, Police Background Clearances, Certificates of Qualifications, liability insurance, etc.

When work completed by a contractor does not comply with the City's by-laws, the property owner is held responsible for rectifying any issues. The recovery of costs or any other damages as a result, is a civil matter. By requiring contractors to be aware of local regulations and by requiring them to advise their clients of any requirements, including permits, consumers are better able to make decisions.

In addition, property owners are often at a loss in vetting potential contractors. A contractor's prior dealings, qualifications and compliance with basic requirements (such as need for liability insurance or WSIB) are often pieces of information not readily disclosed to consumers. Holding these things as basic requirements gives consumers a higher level of confidence when engaging contractors.

## **Nuisance Control**

A common practice among some of the businesses that are being recommended for licensing is the use of lawn signs to advertise their business during the time that they are conducting work in the neighbourhood. While the City's Sign By-law permits such signs on a temporary basis at the location of the work being carried out; common practice evidenced across the City includes some businesses placing signs at multiple locations within a neighbourhood, and at main intersecting streets. These signs are rarely ever retrieved following completion of the work and ensuring their timely removal often becomes an issue for City staff both from an enforcement and an operational standpoint. In 2015, just over 1,700 unlawful bag signs were removed by enforcement staff, yet only 23 investigations led to charges being laid.

## **EXTRACT FROM COUNCIL MEETING MINUTES OF NOVEMBER 15. 2016**

## Item 2, CW(WS) Report No. 40 - Page 4

Other nuisance-related matters pertain to the improper use of the City's boulevard (e.g., construction bins on the roadway) and property standards issues (e.g., improper storage of building materials in yards, etc). These too are matters that through the introduction of a licensing regime would afford the City a higher level of control, prevention and consumer protection.

## Financial Analysis

Assuming the amendments recommended in this report come into force on April 2, 2017, staff expect the following revenues:

Source	Fee	Projected annual vol.	Revenue for 2017 (9-mth. adjusted)
Renovators			
Initial licence	\$ 360.00	144	\$ 38,880
Renewal	\$ 180.00	0	0
Landscapers			
Initial licence	\$ 360.00	64	\$ 17,280
Renewal	\$ 180.00	0	0
Driveway Pavers			
Initial licence	\$ 360.00	32	\$ 8,640
Renewal	\$ 180.00	0	0
Fence Installers			
Initial licence	\$ 360.00	49	\$ 13,230
Renewals	\$ 180.00	0	0
Pool Installers			
Initial licence	\$ 360.00	29	\$ 7,830
Renewals	\$ 180.00	0	0
Total revenue from new business lic	\$ 85,860		
Less:			
Existing licence discount	\$180.00	159	(\$ 21,465)
(assuming half of applicants are eligible)	,		(+ ,,
Professional Association discount	- 20%	159	(\$ 6,426)
(assuming half of applicants are eligible)			, , ,
Total licensing discounts projected for	or new busir	ness licences	\$ 27,891
NET REVENUE FROM NE	\$ 57,969		
Late Renewal Fees			
Up to 30 days after expiry	\$ 50.00	687	\$ 34,350
Between 30 and 90 days after expiry	\$ 100.00	86	8,600

Before any discounts, revenues from the new business categories are expected to be \$85,860. Discounts are expected to total \$27,891, for net revenue of \$57,969. Late renewals on existing licensed businesses are expected to total approximately \$42,950 in 2017. Thus, total net revenues arising from the recommendations of this report are expected to be \$100,919. A detailed breakdown of projected revenue sources for 2017 and 2018 are provided in Schedule B of this report.

Total revenue generated from late fees

\$ 42.950

### **EXTRACT FROM COUNCIL MEETING MINUTES OF NOVEMBER 15. 2016**

## Item 2, CW(WS) Report No. 40 - Page 5

Licensing revenues are based on a 25% licensing rate in the first year for subject businesses. Of these, it is assumed that half will be eligible to obtain a licence at the renewal rate because they will already have held a business licence in an Ontario municipality with comparable licensing requirements. It is also assumed that half of all first-year applicants would be eligible for the Cityapproved professional association discount.

Not including the proposed business licensing categories, staff estimate that 3,435 businesses will renew in 2017 and 2,092 will apply for a new licence. Late renewal revenues are based on a 25% (859) late renewal rate for existing licensees, of which 80% (687) are expected to renew within 30 days after expiry, 10% (86) to renew between 31 and 90 days after expiry, and 10% (86) to renew after or not at all.

#### Consultations

Staff consulted with a number of recognized professional associations representing the affected businesses, including the Building Industry and Land Development Association ("BILD"), the Pool and Hot Tub Council of Canada ("PHTCC"), the Canadian Fence Industry Association ("CFIA") and the Landscape Ontario Horticultural Trades Association ("LOHTA").

BILD is the local chapter of the Canadian Home Builders' Association ("CHBA"). BILD has over 1,450 member companies that include home builders, land developers, and professional RenoMark renovators. Its members are guided by a code of conduct that requires them to:

- Provide a detailed, written contract (including scope of work) for all jobs;
- Offer a minimum two year warranty on all work (excludes minor home repair);
- Carry a minimum of \$2 million liability insurance;
- Have coverage for workplace safety and employers' liability and/or work only with subcontractors who carry such coverage;
- Carry applicable licenses and permits;
- Maintain a safe and organized worksite;
- Return phone calls within two business days.

RenoMark was established by BILD to identify companies who have agreed to abide to a renovation-specific code of conduct. The program is endorsed by the CHBA and includes about 300 BILD member companies that provide installed construction services directly to homeowners. About 80% of the local associations under the CHBA national umbrella have adopted the RenoMark program.

PHTCC is a national, not-for-profit association of more than 350 companies, organizations and individuals nation-wide (excluding Quebec) involved in the aquatic leisure industry. Members include builders and contractors, retailers, service providers, manufacturers and distributors of swimming pools, hot tubs and water feature products. Members also include public pool operators and related safety organizations. Members are required to abide by a number of principles and policies, including:

- Contributing to the health, safety and welfare of the public in the installation, maintenance and operation of swimming pools, hot tubs and spas;
- Revealing all material facts and refraining from the use of misleading advertising or innuendo in advertising and selling to ensure that products or services are fully understood by the consuming public;
- Designing, building, servicing and maintaining swimming pools, hot tubs and spas in a manner consistent in all ways with the concepts of public health and safety; and complying at all times with applicable laws, ordinances and regulations;

### **EXTRACT FROM COUNCIL MEETING MINUTES OF NOVEMBER 15. 2016**

## Item 2, CW(WS) Report No. 40 - Page 6

 Fulfilling promptly and completely all contractual obligations; offering a reasonable warranty, whether explicit or implied, written or oral; and processing justifiable claims without hesitation or delay in accordance with the Standards & Ethics Procedure for Consumer Complaints.

CFIA is a non-profit organization whose members include professional contractors, retailers, agents, wholesalers and manufacturers of fence products and related service. CFIA has a code of ethics that includes that members:

- Properly and effectively serve the needs of the ultimate user or consumer of the companies' products or services';
- Provide a professional, competitive and successful program that will establish and maintain the integrity of the fence industry;
- Completely avoid, by demonstration and action and encourage their personnel to avoid, illegal practices of any sort;
- Respect all contracts, pay all obligations, maintain a good credit rating, and in other respects follow the highest standards of business conduct.

LOHTA was created in 1973 and represents over 2,600 member companies that include landscape, maintenance and snow management contractors, landscape designers, lawn care operators, garden centre owners, arborists, nursery growers, interior landscapers, and irrigation and landscape lighting contractors.

The organization has two main purposes:

To raise awareness for the environmental, economic, lifestyle, health, recreational, therapeutic, tourism and spiritual benefits of plants, gardens, landscapes, green space and green infrastructure; and

To growing a prosperous, professional, ethical, recognized, valued and contribution-oriented landscape profession.

#### LOHTA members:

- Are accredited through submission of references, job site reviews, education and training and credit checks;
- Will, upon client request, provide their WCB registration and proof that they are insured and bondable;
- Commit to a mediated dispute resolution process that is based on third-party evaluation and provides the parties with an unbiased report on the quality of work;
- Uphold principles of knowledgeable and client-focused service, use of quality products and workmanship that meets or exceeds professional standards.

Staff did not identify any Professional Association that explicitly represents driveway pavers. However, many paving companies also perform other work, such as landscaping, and are generally represented by one or more of the associations consulted.

The associations consulted support staff recommendations regarding responsible licensing in a way that promotes professionalism in the industry, protects consumers, and creates a fair and competitive environment. These associations foster and promote many of the same objectives that the City wishes to instill in the industries serving Vaughan residents. Upon adoption of a bylaw to give effect to staff's recommendations, the above associations would be considered through the established process and where applicable, approved by the Director as Cityapproved professional associations for the purposes of the City's business licensing regime.

## **EXTRACT FROM COUNCIL MEETING MINUTES OF NOVEMBER 15. 2016**

# Item 2, CW(WS) Report No. 40 - Page 7

Not all subject businesses that operate within Vaughan and the GTA are members of these associations or follow their best practices. For this reason, staff believe that licensing is still a useful tool for providing oversight and ensuring an enhanced level of safety, protection to consumers and enhanced nuisance control.

During consultations, all of the professional associations were in support of introducing a regulatory regime and agreed that there would be significant benefits to working with the City to promote awareness among businesses and consumers.

## New Licence Categories

Although the City of Vaughan does not currently license renovators and other similar trades, most other GTA municipalities do licence at least some of them. Several municipalities define renovators broadly enough to capture other categories. In addition, many contractors tend to span their activity across a number of categories, with pavers and landscapers being a good example. Staff propose to define individual categories largely to be better able to track issues across different lines of business. Staff surveyed the following GTA municipalities to compare licensing regimes:

	Markham	Brampton	Hamilton	Mississauga	Toronto
Residential Renovators	Х	Altering, repairing or renovating, buildings, structures, chimneys	Carrying out repairs or renovations of buildings	Altering, repairing or renovating, buildings, structures, chimneys	Altering, repairing or renovating buildings or structures, chimneys
Residential Landscapers	Х	X	Х	X	X
Residential Pavers	Paving or sealing driveways on privately owned property	Paving, repairing or sealing driveways, lanes, roadways and parking areas on private property		Paving, repairing or sealing driveways, lanes, roadways and parking areas on private property	Paving or resurfacing driveways and parking lots
Fence Contractors	Х	Constructing fences	Х	X	Х
Pool Installers	Х	Installing residential swimming pools	Х	Х	Х

### **EXTRACT FROM COUNCIL MEETING MINUTES OF NOVEMBER 15. 2016**

## Item 2, CW(WS) Report No. 40 - Page 8

There are a number of advantages to licensing these types of businesses:

- 1. Through the licence issuing process, the consumer is afforded a level of confidence that the individuals have been vetted through a vulnerable sector screening process (i.e., criminal background clearance);
- 2. Through the licence issuing process, businesses and individuals will be vetted to ensure that they meet licensing thresholds;
- 3. By requiring licensees to adhere to all relevant by-laws, consumers are afforded a higher layer of protection when it comes to making sure that their residential projects are carried out in compliance with municipal regulations, including applying for all required permits, and that all work meets municipal standards;
- 4. By having businesses licensed, the City can more easily identify and have recourse against businesses that violate municipal regulations, such as violations that result in a proliferation of signs in neighbourhoods;
- 5. By having businesses licensed, it raises the level of awareness amongst both industry participants and the general public with respect to each party's rights and obligations.

#### Contractor Categories to be Licensed

Staff propose that five new categories of businesses be licensed. The main reason for licensing these new categories is for the purpose of consumer protection, which can be generally addressed by conducting background checks on all licensees, requiring that licensees carry general liability insurance and mandating that licensees always provide written contracts outlining scope of work and a payment schedule. There are also additional reasons, as set out below, as to why each of these categories should be licensed.

#### Renovators

"Renovator" means a person engaged in the business of altering, repairing or renovating buildings or structures, and includes any person who solicits for such work, or who in any way advertises or holds himself or herself out to the public as doing building renovations or as being a building contractor for such work, but does not include a building contractor whose principal business is the construction of buildings or structures (i.e., work performed that is covered by a new home warranty backstopped by Tarion).

This is a broad category that includes roofers, cladders, window installers, and kitchen and bath installers, to name a few. It does not include trades licensed provincially (e.g., electricians) or deemed to be a compulsory trade under the Ontario College of Trades and Apprenticeship Act, 2009 (e.g., plumbers). Issues arising from such renovators vary, but include the inappropriate and prolific use of lawn signs, the unauthorized use of the right of way, and nuisances arising from poor site maintenance.

# Landscapers

"Landscaper" means a person engaged in the business of creating, altering and maintaining both hard and soft landscaping features, and includes any person who solicits for such work, or who in any way advertises or holds himself or herself out to the public as doing landscaping or as being a contractor for such work.

### **EXTRACT FROM COUNCIL MEETING MINUTES OF NOVEMBER 15. 2016**

## Item 2, CW(WS) Report No. 40 - Page 9

Landscapers are often involved in the widening of driveways or in the development of on-lot parking. Landscapers may also be involved with the installation of fences or pools. These activities may be subject to a number of by-laws, such as Zoning, Encroachments, and Fences, and often require permits from the City. Therefore it is critical that landscapers be aware of, and comply with, municipal regulations.

Exterminators licensed under O. Reg. 63/09 of the Pesticides Act, 1990, would not be required to be licensed with the City.

## **Driveway Pavers**

"Driveway paver" means a person engaged in the business paving, resurfacing, repairing or sealing driveways or parking lots situated on private property (which may include municipal boulevards adjacent to such private property), and includes any person who solicits for such work, or who in any way advertises or holds himself or herself out to the public as performing such work or as being a contractor for such work.

Not unlike landscapers, driveway pavers are often involved in the widening of driveways and the development of on-lot parking. Pavers need to understand relevant regulations and be able to advise their clients accordingly with respect to requirements and permit processes.

#### Fence Installers

"Fence installer" means a person engaged in the business of erecting and installing exterior fences, bannisters and rails, including pool enclosures, and includes any person who solicits for such work, or who in any way advertises or holds himself or herself out to the public as performing such work or as being a contractor for such work.

Fence installers are often involved in the erection of pool enclosures as well as line fences. Aside from the Fence By-law other regulations, such as the Encroachment By-law and Zoning, need to be considered.

### Pool Installers

"Pool installer" means a person engaged in the business of building and installing exterior swimming pools and hot tubs, and includes any person who solicits for such work, or who in any way advertises or holds himself or herself out to the public as performing such work or as being a contractor for such work.

Pool installers need to understand and inform their clients on the various regulations that may have an impact on their swimming pool project, including the Zoning By-law for pool and pool equipment setbacks and the Fence By-law for pool enclosure requirements, including the need for permits.

It should be noted that requiring licensees to meet the standards set out in relevant by-laws for their work does not in any way negate a property owner's responsibility to address and remediate an issue. For example, in the event that a fence installer does not build a pool enclosure that meets the minimum standards in the Fence By-law, the owner of the property would still be responsible for rectifying the matter; the owner would be issued a Notice and could be charged for non-compliance. The installer, on the other hand, would be charged directly under the Licensing By-law for failing to meet the standard set out for pool enclosures. The dispute between the property owner and the installer would still be a civil matter, although a conviction of the installer could weigh in favour of the owner in court.

### **EXTRACT FROM COUNCIL MEETING MINUTES OF NOVEMBER 15. 2016**

## Item 2, CW(WS) Report No. 40 - Page 10

## Endorsements, Reduced Fees, and Expedited Issuance

Businesses that conduct activities that fall into more than one of the above categories will be licensed as the category that represents their most significant part of the business (and will only pay for one licence), but will be endorsed and required to follow the regulations that pertain to every category in which they do business.

Staff propose that businesses that belong to one of the City-approved professional associations receive a 20% discount on their licensing fee. This discount would be applicable as long as the licensee did not have any by-law convictions within a three-year period from licence issuance or renewal date, and had not violated any of the City's other licensing requirements.

The eligibility of a professional association to become a "city-approved professional association" would be determined through a process based on pre-established criteria and scoring. Associations wishing to become City-approved would be required to submit to this process with approval being granted by the Director who would also be required to maintain a public list of City-approved professional associations.

Businesses holding licences from other Ontario municipalities with similar licensing requirements would be issued a Vaughan licence for the cost of renewal and without the need to provide clearances if the licence from the other municipality required the same level of vetting and the licence of the applicant were in good standing. This measure is intended to minimize the cost and streamline the application for the licensee. This approach is unique in the GTA and supports the City of Vaughan's interest in being a progressive leader in fostering a regulatory framework that helps drive competitiveness and encourages economic sustainability.

With the proposed discounts, for licensees who are members of a City-approved professional association and who also hold a valid licence in another eligible municipality, the annual cost of a licence would be \$144, the lowest cost for such a licence out of any municipality:

	Vaughan*	Mississauga	Brampton	Toronto	Markham	Hamilton
Fee	\$ 144	\$ 168	\$ 185	\$ 226	\$ 242	\$ 260

\*For members of City-approved professional associations who also hold a licence in another municipality.

Staff anticipate that the shortfall from the cost-recovery fee of \$180 would be offset by an expedited licensing issuance process, requiring less administrative effort, and reduced enforcement actions on City-approved professional association members.

## Late Renewal Fees

Late licence renewals are common and create additional administrative and enforcement work for staff. Late renewal fees are intended to cover these additional costs and, at the same time, provide a disincentive for licensees to renew late.

The City does not keep track of the rate of late renewals; however, it is known that in other cities that do keep track, late renewals are in the order of 50%. Most of these (i.e., about 80%) tend to renew within 30 days of their licences' expiry dates. Another 10% tend to renew after 30 days but before 90 days after expiry.

Late renewals often require administrative and enforcement follow-up. In an attempt to incentivize licensees to renew on time (thus reducing administrative and enforcement efforts) and to successfully maintain renewal rates, staff are proposing an initial late fee of \$50 for those who renew within 30 days after the expiry of their licence. Staff propose a further fee of \$50 if that

### **EXTRACT FROM COUNCIL MEETING MINUTES OF NOVEMBER 15. 2016**

## Item 2, CW(WS) Report No. 40 - Page 11

renewal goes beyond 30 days, but occurs within 90 days of the expiry date. These fees would cover the escalating administrative and enforcement costs of obtaining compliance. Beyond 90 days from the expiry date, a licence would be considered lapsed and non-renewable. Anyone wishing to obtain a licence again at this point would have to initiate a new application and pay the initial licence fee.

#### Amended Renewal Dates

Currently, licence renewal dates are based on the type of licence. For example, all taxi licences must renew by September 30. This creates peak periods during the year for licence renewals and creates workload pressures that affect service delivery.

To address this issue, staff are recommending spreading out licence renewal dates throughout the year on the basis of original issue date or licensee date of birth/incorporation, where the original date of issue is not known. Licensees will be advised of their new renewal date when they come in on their current date to renew.

For those whose new renewal date falls within three months of their current renewal, they will be required to pay, on a pro rata basis, into their next renewal date (i.e., potentially up to 15 months). For those whose new renewal date falls beyond three months of their current renewal date, they will be required to pay, on a pro rata basis, up to that date (i.e., between 3 and 12 months); however, they will also have the option to pay into their next renewal so that someone whose new renewal date falls 5 months from their current renewal date would have the option to pay for 5 months or 17.

This process is expected to take about one year to complete. Staff do not expect the financial impact of the prorated payments during the phase-in period to be significant. Although the impact will depend on the options exercised by licensees, staff expect that such choices will generally average out.

# Relationship to Term of Council Service Excellence Strategy Map (2014-2018)

The recommendations in this report are in line with the following priority for this term of Council:

- Continue to ensure the safety and well-being of citizens by providing a number of consumer protection measures with respect to businesses and trades that supply residential goods and services that are regulated by municipal regulations.
- Meet Council tax rate targets (no greater than 3%) by introducing licensing fees, in accordance with provisions in the Municipal Act, to offset the related costs of administering and enforcing the new categories.
- Create and manage affordable housing options (secondary suites), through supporting safe renovation and construction practices.

The recommendations of this report are also in line with the objectives and deliverables of the Bylaw Strategy, mainly to ensure that the City has by-laws in place that are relevant, effective and sustainable.

#### **Regional Implications**

Although there are no direct regional implications from the recommendations of this report, staff will be advising municipalities in the GTA of the City's policy respecting expedited issuance.

### **EXTRACT FROM COUNCIL MEETING MINUTES OF NOVEMBER 15. 2016**

Item 2, CW(WS) Report No. 40 - Page 12

## Conclusion

As the fifth fastest growing City in Canada, the City of Vaughan continues to experience unprecedented community grow and expansion, moving from a more rural community to a vibrant urban hub. With this ever expanding community growth comes the inevitable market and economic growth that is needed to service growing consumer needs. Home improvements such as renovations, new fences, pools, hot-tubs, landscaping, driveway widening are an on-going and growing service need for consumers.

This report recommends the establishment of a licensing regime for renovators, various contractors and other similar businesses in order to protect consumers, promote health and safety, and address related nuisances. Staff propose to work with City-approved professional associations to educate both the public and the various subject industries as to their rights and obligations. In recognition of the standards set by the relevant professional associations and in order to streamline the licensing process, staff are also recommending a discount for City-approved professional association members in good standing and an expedited and reduced initial licensing fee for businesses already licensed in other municipalities with similar licensing requirements.

In addition to a property owners responsibilities, staff believe that the introduction of a licensing regimes and related new regulations will provide the City with additional leverage when dealing with renovators and other contractors on a variety of by-law enforcement issues, such as illegal signs and unauthorized driveway widenings, among others.

In addition, staff are recommending a resetting of renewal dates to improve customer service and level internal workflows, and the introduction of late renewal fees to incentivize prompt renewal and defer any costs associated with follow-up to those clients that do not renew on time.

## **Attachments**

- 1. Schedule A Recommended Amendments
- 2. Schedule B Projected Revenues for 2017 and 2018

## Report prepared by:

Rudi Czekalla Martínez, Manager of Policy & Business Planning

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)