STAFF REPORT
ACTION REQUIRED

Business Licensing Thresholds

<table>
<thead>
<tr>
<th>Date:</th>
<th>May 4, 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>To:</td>
<td>Licensing and Standards Committee</td>
</tr>
<tr>
<td>From:</td>
<td>Jim Hart, Executive Director, Municipal Licensing and Standards</td>
</tr>
<tr>
<td>Wards:</td>
<td>All</td>
</tr>
<tr>
<td>Reference Number:</td>
<td>P:\2010\Cluster B\MLS\Ls10018</td>
</tr>
</tbody>
</table>

SUMMARY

This report is a staff initiated report arising from: (a) an unintended amendment to the City’s licensing thresholds when the criminal code offence sections were clarified; and (b) a lack of clarity on what constitutes a demerit point with respect to the licensing thresholds.

The errors, because they have not been reflected in the Licensing System, have not had an impact on licence issuing, renewals or hearings. The proposed changes in this report address the issues to bring the bylaw back in line with practice.

The City Solicitor was consulted in the preparation of this report.

Public notice has been given in a manner prescribed in the Toronto Municipal Code Chapter 162, Notice, Public.

RECOMMENDATIONS

The Executive Director of Municipal Licensing and Standards recommends that City Council:

1. Adopt the amendments to Schedule A of Appendix K of Toronto Municipal Code Chapter 545, Licensing, as per Appendix A of this report;

2. Adopt the following definition for Demerit Point, to be included in Chapter 545:
“DEMERIT POINT – a unit of measurement applied to a bylaw conviction in accordance with Schedule B of Appendix K of this Chapter, for the purpose of administering the business licensing thresholds”;

3. Make the amendments retroactive to January 1, 2010, the same date that the previous by-law amendments came into effect;

4. Direct the City Solicitor to prepare the necessary bill, including any stylistic or technical amendments required, to give effect to any recommendations adopted by City Council; and

5. Authorise and direct City staff to take any other action necessary to implement the by-law amendments.

Financial Impact
There are no financial implications beyond those in the current budget arising from the recommendations of this report.

DECISION HISTORY
At its meeting of October 26 and 27, 2009, City Council adopted the September 16, 2009 report from the Executive Director of Municipal Licensing and Standards respecting amendments to the City’s business licensing thresholds (http://www.toronto.ca/legdocs/mmis/2009/ls/bgrd/backgroundfile-23799.pdf; see LS24.2).

The amendments recommended, intended to clarify offence descriptions, inadvertently resulted in 4 offence types being misclassified. These were later identified by staff. This report is intended to correct the error.

ISSUE BACKGROUND
At the request of the Chair of the Toronto Licensing Tribunal staff reviewed the offence descriptions and recommended they be clarified. In the process, however, staff misclassified four offence types by placing them in the incorrect restriction code and effectively making them less serious offences for purposes of administering the thresholds. This, however, was not the intent of the recommendations adopted by Council. As a result, staff are bringing forward a report to correct the errors in the bylaw. Additionally, staff identified a further need for clarification with respect to the demerit point system. Staff noted that although the term “demerit point” is used, what precisely constitutes a demerit point is not explicitly stated. A further proposed amendment thus provides a definition of demerit point.

COMMENTS
Because it was done in error, and staff were not initially aware of the misclassification, the changes were not implemented in the Licensing System, which administers the thresholds. Thus, there was no impact on the issuance or renewals of licences. The amendments proposed in Appendix A of this report therefore effectively bring back the
restriction code classification to what it was intended to be: unchanged from the version of the bylaw existing prior to the amendments adopted by Council in October of 2009.

The second amendment adds a definition to the bylaw to avoid any ambiguity. Currently, no definition for demerit point exists; yet the term is used in Appendix K. Staff propose to include the definition to explicitly state how such points are applied.

**CONTACT**
Rudi Czekalla  
Senior Policy & Research Officer  
Municipal Licensing and Standards  
Telephone: (416) 392-9352  
Fax: (416) 392-0797  
E-mail: rczekal@toronto.ca

**SIGNATURE**
_______________________________  
Jim Hart  
Executive Director  
Municipal Licensing and Standards

**ATTACHMENTS**
Appendix A: Amendments to Toronto Municipal Code Chapter 545, Licensing – Appendix K – Schedule A
1. Amend the following rows in Toronto Municipal Code Chapter 545, Licensing Appendix K – Schedule A:

<table>
<thead>
<tr>
<th>Criminal Code Offences</th>
<th>Description*</th>
<th>Restriction Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sexual offences against persons other than minors</td>
<td>Sexual exploitation of person with disability; Incest; Indecent acts; Sexual assault; Sexual assault with a weapon, threats to a third party or causing bodily harm; Aggravated sexual assault</td>
<td>03</td>
</tr>
<tr>
<td>Assault</td>
<td>Assault; Assault with a weapon or causing bodily harm; Aggravated assault; Unlawfully causing bodily harm; Assaulting a peace officer</td>
<td>04</td>
</tr>
</tbody>
</table>

with the following rows:

<table>
<thead>
<tr>
<th>Criminal Code Offences</th>
<th>Description*</th>
<th>Restriction Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sexual offences against persons other than minors</td>
<td>Sexual exploitation of person with disability; Incest; Indecent acts; Sexual assault</td>
<td>03</td>
</tr>
<tr>
<td>Assault</td>
<td>Assault; Assaulting a peace officer</td>
<td>04</td>
</tr>
</tbody>
</table>

and add the following row:

<table>
<thead>
<tr>
<th>Criminal Code Offences</th>
<th>Description*</th>
<th>Restriction Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major assault and sexual assault offences</td>
<td>Sexual assault with a weapon, threats to a third party or causing bodily harm; Aggravated sexual assault; Assault with a weapon or causing bodily harm; Aggravated assault; Unlawfully causing bodily harm</td>
<td>02</td>
</tr>
</tbody>
</table>