TORONTO

STAFF REPORT
ACTION REQUIRED

Reduction in Licensing Fees to Reflect Service Level Amendments

Date:	December 16, 2010
To:	Licensing and Standards Committee
From:	Executive Director, Municipal Licensing and Standards
Wards:	All
Reference Number:	P:\2011\Cluster B\MLS\Ls11001

SUMMARY

This is a staff initiated report to propose a reduction in licensing fees arising from a change in specific services.

A federal directive changing the use and disclosure of Criminal Record Information placed considerable restraints on the disclosure of such information to third parties. The requirement to obtain fingerprinting created considerable delays in the issuance of licences. As a result, Municipal Licensing and Standards no longer conducts the indirect collection of criminal record information and requires clients to obtain their own police clearance searches. This will result in a fee reduction of $25.00 for all licence applications, as of January 1, 2011.

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, Municipal Licensing and Standards, recommends that City Council:

1. Amend Appendix A of Toronto Municipal Code Chapter 545, Licensing so that every business licensing fee for a new licence application be reduced by $25.00 from its adjusted 2011 rate;

2. Make the above recommendations retroactive, to take effect as of January 1, 2011;

3. Direct the City Solicitor to prepare the necessary bill, making any stylistic or otherwise necessary changes, to give consistent effect to the recommendations in this report; and

4. Authorise and direct all other appropriate City officials to take the necessary actions to give effect thereto.

Implementation Points

Municipal Licensing and Standards, Licensing Services and Information Technology staff are responsible for the implementation of the system and business process changes required to implement the fee reduction.

Financial Impact

Under the proposed adjustment, approximately 16,000 licence applications annually would be subject to a police clearance. The Toronto Police Service charges $25.00 per clearance. Thus, by eliminating this service and requiring the client to provide his or her own police clearance, Municipal Licensing and Standards expects to reduce this budgeted expenditure by $400,000 annually.

The reduction is expected to result in a corresponding reduction in budgeted revenues.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

This is a staff initiated report to propose a reduction in licensing fees arising from a change in specific services.

ISSUE BACKGROUND

In June 2004, City Council adopted a new schedule of licensing fees. The fees for new applications included $25 for the procurement of a police clearance. That same year City Council also adopted the business licensing thresholds, which required a police clearance as part of the renewal process as well. This new requirement was not accounted for in the fee for licence renewals.

COMMENTS

By requiring clients to provide their own police clearance, Municipal Licensing and Standards will be divesting itself of an administrative function and correspondingly reducing its fees for all new licence applications, as of January 1, 2011.

Staff anticipate that the corresponding decrease in budgeted expenditures will offset the anticipated drop in revenues.

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SIGNATURE

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Jim Hart
Executive Director
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