BN# 7 – Dec 12



John Livey Deputy City Manager Municipal Licensing and Standards City Hall, West Tower, 16th Floor 100 Queen Street West Toronto, ON M5H 2N2 Tel: (416) 392-8445 Fax: (416) 397-5463 Tracey.Cook@toronto.ca www.toronto.ca

2018 OPERATING BUDGET BRIEFING NOTE Assessment of Staffing Complement for Enforcement of Holistic Centres and Body Rub Parlours

Issue/Background:

- City Council requested the Executive Director, Municipal Licensing and Standards (MLS) to report to the Budget Committee through the 2018 budget process, on the projected costs and potential revenue sources necessary to increase the enforcement complement of the division by one (1) Supervisor and four (4) Municipal Standards Officers, including appropriately marked and equipped vehicles and equipment to enhance dedicated enforcement efforts related to non-compliant businesses currently operating with holistic licences.
- Holistic centre owners and holistic practitioners are required to be licensed under Chapter 545, Licensing, for the purposes of therapeutic and wellness services. There are currently 409 licensed holistic centres in Toronto. Body rub parlours (BRPs) offer services of non-medical and non-therapeutic massage. BRP owners and body rubbers are required to be licensed under Chapter 545, Licensing, and there are currently 25 BRP owner licences, which is the maximum permitted under the Bylaw.

Key Points:

- On October 27, 2017, the Auditor General reported to Audit Committee on an audit assessing the effectiveness of business licensing and bylaw enforcement relating to licensed holistic centres in the city of Toronto.
- On November 7, 2017 City Council considered and amended Item AU10.3 (*A Review of Municipal Licensing and Standards Division's Management of Business Licences Part Two: Licensed Holistic Centres*) and directed staff to conduct a detailed and thorough review of the existing bylaws and legislative framework governing the licensing of body rub parlours and holistic centres. Staff were also directed to report to Budget Committee through the 2018 budget process on the projected costs and potential revenue sources necessary to increase the enforcement complement of MLS.
- The annual projected costs of increasing MLS's enforcement complement would be \$682,000 comprised of one (1) Supervisor and four (4) Municipal Standards Officers. The estimate includes costs for salaries and benefits, uniforms, vehicles, equipment, and other overhead costs.

- Taking into consideration the direction from City Council regarding removing the restriction on the number of Body Rub Parlour licences, the revenue required to offset the increase in MLS's enforcement complement and operating costs may be recouped through incremental licensing revenues (such as the issuance of an additional 53 Body Rub Parlour licences at the current licensing fee rate), the tax base and/or a combination thereof.
- This increased enforcement complement would strengthen enforcement capacity against holistic centres offering unauthorised services outside the parameters and conditions of the licensing category.
- City staff are undertaking a review of regulations around holistic centres, Professional Holistic Associations, and BRPs and will report to the February 26, 2018 Licensing and Standards Committee meeting on recommended changes to increase the effectiveness of these regulations.

Prepared by: Tracey Cook, Executive Director, Municipal Licensing and Standards (416) 392-8445, Tracey.Cook@toronto.ca

Further information: Tracey Cook, Executive Director, Municipal Licensing and Standards, (416) 392-8445, Tracey.Cook@toronto.ca

Date: December 8, 2017