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CITY OF KELOWNA

MEMORANDUM

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**Date:** December 5, 2007  
**To:** City Manager  
**From:** Manager of Inspection Services  
**Subject:** Mobile Business Licence Bylaw

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**RECOMMENDATION:**

THAT Council receive the report from the Manager of Inspection Services dated November 19, 2007;  
AND THAT Council give consideration to Bylaw 9900, a bylaw to enter into a Mobile Business Licence Scheme;  
AND FURTHER THAT Council direct staff to report back one year after adoption of the Mobile Business Licence Bylaw regarding the feasibility of a one time equalization distribution between participating Municipalities of net revenues after expenses.

**BACKGROUND:**

A Mobile Business Licence Pilot Project was proposed on September 7, 2007 to municipal representatives from 18 municipalities throughout the Okanagan and Similkameen valleys by the Minister of Small Business and Revenue, Rick Thorpe. Minister Thorpe's proposal offers an opportunity for small business to save time and reduce expenses while continuing to provide municipalities the ability to monitor business activity within their jurisdiction with no additional tax burden.

This pilot project is being proposed by the Province as an extension of the existing inter-municipal business licence program operating in the North Okanagan over the past several years. Once the pilot project is successfully completed the model will be proposed by the Province to municipalities within similar geographic areas throughout the Province as an opportunity to assist the business community.

A Mobile Business in the proposed bylaw is simply a business that moves from client to client in more than one municipality to perform business services. The opportunity to obtain a Mobile Business Licence will mean that these types of businesses will not have to obtain a separate business licence in each of the municipalities they work in. In some cases this will mean that a single business will need only two licences rather than as many as five or six. The adoption of the bylaw by each participating municipality will mean the municipality can continue to issue one business licence through their existing Business Licence Bylaw for businesses located in their jurisdiction and at the request of the business owner issue an additional mobile business licence that will authorize the business to operate in any of the participating municipalities.



The fee for this optional additional mobile business licence has been set by the participating municipalities at \$150 annually. This amount is in the range of fees charged by each participating municipality for a single business licence. For example the City of Kelowna would charge \$127 annually for this type of business. If the business then needed to work in Lake Country, RDCO and Peachland they would need three additional licences at similar fees.

The fee of \$150 will be sufficient to cover the costs associated with these new licences on an ongoing basis in the City of Kelowna. However a revenue impact analysis was completed for the participating municipalities indicating that during the first year the City of Kelowna should expect an increase in compliance and associated revenues while some participating municipalities may experience a decrease in business licence purchases. In order to assist with the start up costs Council may wish to consider a one time equalization formula at the end of the first year which could distribute any revenues from Mobile Business Licences not required to fund the operation of this function between participating municipalities whose Mobile Business Licence expenses are beyond their revenues.

**INTERNAL CIRCULATION TO:**

Lidstone Young Anderson  
Information Services

**LEGAL/STATUTORY AUTHORITY:**

Section 14 of the Community Charter

**EXISTING POLICY:**

The City of Kelowna Business Licence and Regulation Bylaw No.7878 will remain in effect and function separately from the proposed Mobile Business Licence Bylaw.

**FINANCIAL/BUDGETARY CONSIDERATIONS:**

The costs related to this function will be derived from the associated revenues.

**PERSONNEL IMPLICATIONS:**

The implementation of this bylaw will not require additional staff.

**Considerations that were not applicable to this report:**

LEGAL/STATUTORY PROCEDURAL REQUIREMENTS:

TECHNICAL REQUIREMENTS:

EXTERNAL AGENCY/PUBLIC COMMENTS:

ALTERNATE RECOMMENDATION:

Submitted by:



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Ron Dickinson, Manager of Inspection Services

Approved for Inclusion:



Attach

c.c. Barry Williamson  
Eric Carr