

ADMINISTRATIVE REPORT

TO: Board of Directors

FROM: J. Zaffino, Chief Administrative Officer

DATE: May 9, 2024

RE: Business Licensing Service Establishment Bylaw No. 3078, 2024

Administrative Recommendation:

THAT Bylaw No. 3078, 2024, a bylaw of the Regional District of Okanagan-Similkameen to create a service to enable the RDOS to regulate and license businesses within the electoral areas, be read a first, second and third time and be forwarded to the Inspector of Municipalities for approval.

Purpose:

To provide the Board authority to regulate and license businesses in the Regional District of Okanagan-Similkameen.

Reference:

Local Government Act
Community Charter

Background:

In 2023, the provincial short-term rental framework was changed to provide regional districts the authority to regulate short-term rentals and other businesses in the same way as municipalities.

Analysis:

Although Regional Districts may now regulate businesses by bylaw and may require businesses to obtain a business licence, prior to doing so, each Regional District must adopt a service establishment bylaw. A bylaw to establish authority to implement business regulation and licensing may be achieved through Director consent and Ministry approval, no public assent process is required.

Following the adoption of a service establishment bylaw, the regional district can move forward with developing a regulatory scheme. However, before a regional district can adopt regulations through bylaw, the regional district must:

- Give notice of its intention to regulate business in accordance with section 59(3) of the *Community Charter* and

- Provide an opportunity for persons who consider they are affected by the bylaw to make representations to the regional district board.

The power to regulate businesses is distinct from the power to prohibit businesses from operating, and the power to impose requirements on businesses. Regional districts:

- May regulate businesses by establishing rules that businesses must follow in order to operate.
- Generally, may not prohibit businesses outright from being established, or impose standalone requirements on individual businesses.

Once the Service Establishment bylaw is approved, the regional district may then commence the process for developing the regulatory scheme and creating the regulation bylaws.

Introducing a regulatory scheme impacts other bylaws, including the RDOS delegation, fees & charges, bylaw notice enforcement and municipal ticketing bylaws, all of which will be updated in the coming months.

Alternatives:

THAT the Board chose not to create a service for business licensing.

Financial Implications:

While it is anticipated that costs associated with administration of the business licensing scheme, including receipt, processing and issuance of licenses and bylaw enforcement will be recovered primarily through fees & charges and bylaw ticketing, an amount not to exceed \$20,000 is being recommended for inclusion in the service establishment bylaw.

Respectfully submitted:

“Christy Malden”

C.Malden, Corporate Officer / Deputy CAO