



TO:	CHAIR AND MEMBERS COMMUNITY AND PROTECTIVE SERVICES COMMITTEE PUBLIC PARTICIPATION MEETING ON JANUARY 24, 2017
FROM:	G. KOTSIFAS, P. ENG. MANAGING DIRECTOR, DEVELOPMENT & COMPLIANCE SERVICES AND CHIEF BUILDING OFFICIAL
SUBJECT:	PUBLIC PARTICIPATION MEETING BUSINESS LICENSING BY-LAW REVIEW GENERAL PROVISIONS, PAYDAY LOAN BUINSESSES, DOOR-TO- DOOR SALES BUSINESSES

RECOMMENDATION

That, on the recommendation of the Managing Director, Development & Compliance Services and Chief Building Official, this report **BE RECEIVED** as information, it being noted that upon completion of all public participation meetings related to the review of the Business Licensing By-law, a further public participation meeting will be scheduled to repeal and replace the current Business Licensing by-law as per the direction of Municipal Council of December 19, 2016.

PREVIOUS REPORTS

- June 21, 2016 – CPSC – Proposed new categories / existing by-law changes
- November 15, 2016 – CPSC – Putting Consumers First Act
- December 13, 2016 – CPSC – Status Update

BACKGROUND

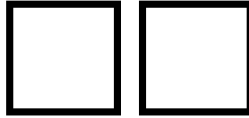
Civic Administration previously reported on a number of new categories of businesses to be licensed for a variety of municipal purposes and existing businesses which require updated licensing regulations. The purpose of this report is to receive public comments on proposed licensing regulations for the following:

- General provisions
- Payday loan lenders
- Door to door sales

As noted in the December 2016 report to CPSC, the initial public consultation process will be to hold a PPM on the general provisions and some business categories as schedules to the by-law then subsequent PPMs for all remaining schedules of the by-law. Civic administration will recommend adoption of the full by-law amendment including repeal of the current Business Licensing By-law L-6 (subsequent to any referrals back to staff by Council) once all PPMs have been completed on the proposed by-law schedules. Civic Administration will endeavor to meet the final PPM meeting of June 2017 as previously reported. An analysis of the various proposed new businesses and existing regulations which require updating was reported to CPSC in June 2016 and is not repeated in this report.

General provisions

The general provisions of the Business Licensing By-law contain regulations on the following matters: prohibitions, exemptions, by-law administration, application process, licence issuance process, powers of the Licence Manager, delegated authority, hearings before the Hearings Officer and enforcement.



Civic Administration is proposing to utilize section 23 of the *Municipal Act* authorizing the delegation of legislative powers. The intent of this section is to streamline City Council's decision-making process and enable it to focus on larger issues in a more strategic manner. Section 23.2 of the *Municipal Act*, authorizes the delegation of legislative powers, provided that, in the opinion of the Council of the municipality, the power being delegated is of a minor nature. In determining whether or not a power is of a minor nature, the Council, in addition to any other factors it wishes to consider, shall have regard to the number of people, the size of geographic area and the time period affected by an exercise of the power. This process was recently implemented in the adopted Informal Residential Care Facility Licensing By-law and the proposed Vehicle for Hire By-law. The process is efficient as it allows for the development and implementation of operational regulations by Civic Administration which otherwise would be required to be approved by Council by way of by-law amendments. The Licence Manager has a written Standard Operating Procedure on delegated authority of regulation development including public consultation and posting of the regulations on the City's web site.

Payday loan Business

Payday loans are defined in the Ontario *Payday Loans Act, 2008* as "an advancement of money in exchange for a post-dated cheque, a pre-authorized debit or a future payment of a similar nature but not for any guarantee, overdraft protection or security on property and not through a margin loan, pawnbroking, a line of credit or a credit card".

Payday loan lenders ought to be regulated for the purpose of consumer protection so as to protect vulnerable individuals from unfair business practices and to ensure compliance with federal and provincial legislation on this type of business.

Civic Administration has consulted with the President and CEO of the Canadian Consumer Finance Association (CCFA) which represents the majority of Canada's payday loan lenders.

There are two proposed regulations for payday loan businesses:

- Require payday loan businesses to post interest rate information. Specifics of the display of the poster (i.e. location of poster, size, font) and poster information (i.e. payday loan interest rate, price ceiling that lenders can charge for loans) will be delegated to the Licence Manager by way of regulation.
- Require payday loan lenders to maintain information regarding money management support and debt counselling in a form of a brochure made immediately available to any person expressing an interest in a payday loan. Specifics of the information on money management and debt counselling (form of brochure) and information (list of debt counselling associations, contact information) will be delegated to the Licence Manager by way of regulation.

The proposed annual fee for this business category is \$390. This fee takes into consideration enforcement (initial inspection, random inspections) and administration costs related to the Business Licensing by-law.

Door to Door Sales Business

The City of London currently regulates door-to-door sales alongside other hawkers and peddlers for the purpose of ensuring the vendor is following all federal and provincial laws as well as health regulations; ensuring the business is not a hazard, nuisance or has a negative aesthetic impact on the municipality; and to protect the consumer who is purchasing the product being sold.

As noted in a report to CPSC in November 2016, new proposed Provincial legislation would ban unsolicited door-to-door sales of certain home appliances such as water heaters, furnaces, air conditioners and water filters and mandate that all consumer-initiated contracts signed in the home for prescribed goods and services also have a cancellation period. All licensed businesses must confirm to all Federal , Provincial and Municipal laws.

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The following regulations are proposed for door to door sales:

- Require businesses conducting door-to-door sales of products or services to maintain a registry of employees who through door-to-door solicitation, sell, offer or attempt to sell, takes orders for, or solicit orders for goods, services, or any other thing. This registry must be maintained by such business and be available for viewing by a Municipal Law Enforcement Officer or Police Officer. Contents of the registry as well as the format of an approved licence will be delegated to the Licence Manager by way of regulation.
- Require businesses to maintain and submit upon request police record checks of all employees who's duties include door-to-door solicitation. Third party police record checks (i.e. pass, fail, concern) will be permitted. Thresholds of the police record checks (type and timeline of criminal conviction) will be delegated to the Licence Manager by way of regulation.

The proposed fee for this business category is \$170. This fee takes into consideration enforcement (initial inspection and random inspections) and administration costs related to the Business Licensing by-law.

PREPARED BY:	RECOMMENDED BY:
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Agenda Item # Page #

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Agenda Item # Page #

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