

**FINANCIAL MANAGEMENT COMMITTEE**

*HIS WORSHIP, THE MAYOR  
AND COUNCILLORS*

**SUBJECT: 2021 SUPPLEMENTARY UTILITY FEES AND HOUSE RENTAL  
LICENCE FEE PROGRAM**

**RECOMMENDATION:**

1. THAT Council authorize the City Solicitor, as outlined in the report, to bring forward the amendments to:
  - a. Waterworks Regulation Bylaw 1953;
  - b. Sewer Charge Bylaw 1961; and
  - c. Burnaby Business Licence Bylaw 2017,as outlined in the report.

**REPORT**

The Financial Management Committee, at its meeting held on 2020 July 07, received and adopted the *attached* report providing information on the Supplementary Utility Fee and House Rental Licence Fee program for 2021. The Bylaws appears elsewhere on the Council agenda.

Respectfully submitted,

Mayor M. Hurley  
Chair

Councillor S. Dhaliwal  
Vice Chair

Copied to: City Manager	Director Public Safety and Community Services
Director Finance	City Solicitor
Director Corporate Services	

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**TO:** CHAIR AND MEMBERS  
FINANCIAL MANAGEMENT COMMITTEE      **DATE:** 2020 June 26

**FROM:** DIRECTOR FINANCE      **FILE:** 7000-01  
DIRECTOR PUBLIC SAFETY AND  
COMMUNITY SERVICES

**SUBJECT:** **2021 SUPPLEMENTARY UTILITY FEES AND HOUSE RENTAL  
LICENCE FEE PROGRAM**

**PURPOSE:** To outline the supplementary utility fee and house rental licence fee  
program for 2021.

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**RECOMMENDATION:**

1. **THAT** the Financial Management Committee recommend Council authorize the City Solicitor to bring forward the amendments to:
  - a. Waterworks Regulation Bylaw 1953;
  - b. Sewer Charge Bylaw 1961; and
  - c. Burnaby Business Licence Bylaw 2017,

as outlined in this report.

**REPORT****1.0 INTRODUCTION**

The 2020 Supplementary Utility Fee and House Rental Licence Fee declaration process resulted in the return of just over 28,000 completed declaration forms, out of approximately 32,000 mailed to Single Family Dwellings (SFD) and Two Family Dwellings (TFD). Of the declaration forms returned, 12,250 property owners indicated that they had suites, with 6,955 property owners stating that their suite was or will be rented in 2020. After clarification on information within the declarations with rented suites, 6,819 properties in total were levied a supplementary utility fee in 2020 which generated utility revenue of \$3,856,600 (\$1,982,100 for Water and \$1,874,500 for Sewer). This is in comparison to the 5,133 properties billed in 2019 which generated utility revenue of \$3,005,250 (\$1,551,950 for Water and \$1,453,300 for Sewer).

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Based on the declarations forms received, 1,850 House Rental Licence invoices have been issued to date for 2020. The Licence Office is currently clarifying billing information on another 2,735 declarations. A total of approximately 4,585 properties may be billed for a House Rental Licence in 2020 which will generate approximately \$600,000 in general revenue.

## **2.0 POLICY SECTION**

### **Goal**

- A Dynamic Community
  - Economic opportunity – Foster an environment that attracts new and supports existing jobs, businesses and industries
  - Community development – Manage change by balancing economic development with environmental protection and maintaining a sense of belonging
- A Thriving Organization
  - Financial viability – Maintain a financially sustainable City for the provision, renewal and enhancement of City services, facilities and assets

## **3.0 2021 PROCESS CHANGES**

### **3.1 Declaration Process**

For the 2021 declaration process, staff are proposing to send letters in early September 2020 to all single family and two family dwellings identifying their 2020 declaration responses. If their rental status has changed, property owners will be asked to complete a new declaration form. If their rental status has not changed, no form is required to be sent back to the City and property owners will be billed for 2021 fees based on their 2020 declaration responses. This approach means that property owners will not have to fill out forms each year if the status of their property has not changed. If there is a new property or a declaration form was not received by a property owner for 2020, then a full declaration form would need to be filled out. New declarations and declarations of a change in status for 2021 will be due back by 2020 November 30. If a form is not received by November 30, the Sewer Charge Bylaw 1953 and Waterworks Regulation Bylaw 1961 both deem the information in the City's latest records for the property to be the current and ongoing rental and suite status of the property, and 2021 supplementary utility fees will be billed on this basis. Guidance and reference materials will be provided on the City's website.

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In order to implement the 2021 process changes, the following amendments to the respective bylaws are proposed:

Waterworks Regulation Bylaw 1953, section 41(3)

Amend opening paragraph to read as follows:

*“(3) If the owner of a single family dwelling or two family dwelling has not previously submitted a declaration in accordance with this section 41(3), such owner shall submit a declaration, in form and content established by the Director Finance, to the City confirming the following in respect of the dwelling for the next calendar year by November 30<sup>th</sup> of the prior calendar year.”*

Sewer Charge Bylaw 1961, section 4B(2)

Amend opening paragraph to read as follows:

*“(3) If the owner of a single family dwelling or two family dwelling has not previously submitted a declaration in accordance with this section 4B(2), such owner shall submit a declaration, in form and content established by the Director Finance, to the City confirming the following in respect of the dwelling for the next calendar year by November 30<sup>th</sup> of the prior calendar year.”*

**3.2 Fees and Fines**

The 2021 Supplementary Utility Fees will take into account the respective 2021 utility increases, which will be determined in late fall of 2020. Currently, Supplementary Utility Fees (discounted) for 2020 are based on 50% of the standard utility charge, as follows:

	SFD	TFD
Waterworks Utility Supplementary Utility Fee	\$297.83	\$223.37
Sanitary Sewer Fund Supplementary Utility Fee	\$281.65	\$211.24
Combined Supplementary Utility Fees	\$579.48	\$434.61

The House Rental Licence Fee will remain \$130 (no discount) for 2021.

For rental properties, normally the property owner will pay just the Licence fee. However, in some cases, if more than one family resides in a rental property and there is a suite that is rented, then the owner will be required to pay both the licence fee and the combined supplementary utility fees.

False declarations and declaration forms not submitted by the due date or within 30 days of a change in status are subject to the following fines: \$500 in accordance with the Waterworks Bylaw and \$500 for the Sewer Fund Bylaw, for a total fine of \$1,000.

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### 3.3 Burnaby Business Licence Bylaw Revision

Schedule "B" of the Burnaby Business Licence Bylaw 2017, Section 2.1 states:

*Every Owner of a rental house must:*

- a) *obtain and maintain a separate business licence for each rental house*

As a result of this requirement, house rental licence applications and resulting licences are being made out to all owners of a property, rather than just to one of the owners. This causes additional administration and confusion in the billing and collection processes. Staff recommend that Section 2.1 of Schedule "B" of the Burnaby Business Licence Bylaw 2017 be revised to read as follows:

*An Owner of a rental house must:*

- a) *obtain and maintain a separate business licence for each rental house*

This recommended revision to the Burnaby Business Licence Bylaw will allow one owner on title to obtain a house rental licence on behalf of all owners registered on title, reducing administration time and confusion around the house rental licence process.

### 4.0 RECOMMENDATION

It is recommended that the Financial Management Committee recommend Council authorize the City Solicitor to bring forward amendments to the Sewer Charge Bylaw 1953, Waterworks Regulation Bylaw 1961 and Burnaby Business Licence Bylaw 2017, in accordance with this report.



Noreen Kassam, CPA, CGA  
DIRECTOR FINANCE



Dave Critchley  
DIRECTOR PUBLIC SAFETY AND COMMUNITY SERVICES

NK:RR / md

Copied to: City Manager  
City Solicitor