



Corporate Report

NO: R156

COUNCIL DATE: July 28, 2008

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **July 28, 2008**
FROM: **General Manager, Planning and Development** FILE: **5080-01**
City Solicitor
SUBJECT: **Business License Requirements for Community Service Uses in the City Centre**

RECOMMENDATION

It is recommended that Council:

1. Receive this report as information;
2. Approve amendments to the Business License By-law, 1999, No. 13680, as documented in Appendix 1 of this report, such that:
 - (a) the preparation of a Community Impact Statement and related study, and its approval by Council, is no longer required as part of an application for a new community service business license application in the City Centre; and
 - (b) the approval process for a new community service business license or the renewal or transfer of an existing licence include the requirement that the applicant/operator sign a Good Neighbour Agreement, as documented in Appendix II of this report;
3. Approve the proposed City Policy No. M-25A – "Good Neighbour Agreement for Community Services Uses in the City Centre", attached as Appendix II;
4. Authorize the City Clerk to introduce the necessary by-law amendments for the required readings;
5. Authorize the City Clerk to provide the necessary notification and schedule an information session for those who consider themselves to be affected by the proposed changes to make representations on the proposed changes to Council, as

required by Section 59(2) of the *Community Charter*, S.B.C. 2003, c. 26, as amended (the "*Community Charter*"); and

6. Authorize the City Clerk to forward a copy of this report to the Downtown Surrey BIA, as information.

INTENT

The purpose of this report is to:

- Update Council on the implementation of the requirement that a Community Impact Statement ("CIS") be prepared as part of the business license application process for the establishment of a new community service use in the City Centre, since this requirement was adopted in June 2005;
- Seek Council's approval to undertake amendments to the Business License By-law, 1999, No. 13680 (the "Business License By-law") such that the preparation of a CIS, as part of the business license application process in the City Centre, is no longer a requirement for new community service business licenses; and
- Seek Council's approval to amend the Business License By-law and approve a new City Policy such that the signing of a Good Neighbour Agreement is required for the issuance of a new, or renewal of an existing, community service business license in the City Centre.

BACKGROUND

The Business License By-law defines a "community service use" as follows:

"Community Service means a use by a non-profit society:

- (a) *Providing information, referral, counselling, advocacy or physical or mental health services on an out-patient basis;*
- (b) *Dispensing aid in the nature of food or clothing; or*
- (c) *Providing drop-in or activity space;*

but does not include churches, residential uses and independent group homes".

On May 18, 2005, Council approved the recommendations of Corporate Report No. C008 - "Community Impact Statements Prior to the Establishment of New Community Service Uses in the City Centre", which included:

- amendments to the Business License By-law to require the preparation of a CIS and related study as part of a business license application for the establishment of a new community service use in the City Centre area;
- the requirement that Council approve the issuance of such a business license; and

- a new policy entitled "Policy for Consideration of Business License Applications for Community Service Uses in City Centre" that included a Terms of Reference for the preparation of a CIS and related study.

The amendment to the Business License By-law (By-law No. 15756) was adopted by Council on June 13, 2005.

Policy for Consideration of Business License Applications for Community Service Uses in City Centre

The Policy for Consideration of Business Licence Applications for Community Service Uses in City Centre (the "CIS Policy") documents the requirement for the preparation of a CIS and a process for assessing such a business license application.

The CIS Policy states that a CIS is required for every business license application for a new community service use within the City Centre, or for transferring an existing business license for a community service use from a location within the City to a new location within the City Centre, or for expanding an existing community service use on a site within the City Centre.

The "Terms of Reference For Preparing a Community Impact Statement" call for the preparation, by the applicant, of a CIS and related study that documents the potential effects of the proposed use on the City in general, and the immediate neighbourhood within which the facility is being proposed. It must be prepared by a consultant who is not directly linked to the organization and who can complete the study in a professional and impartial manner. The CIS must include, but is not limited to, the following elements:

- a business/community services plan for the proposed program(s) or service(s);
- a description and location of other community services in the area of the proposed use;
- a description of the potential benefits and impacts of the use on the neighbourhood and on the broader community;
- a summary of the consultation that was undertaken with the owners of the immediately adjacent properties, and with representatives of the broader community and business sector. It must document the level of community support for the use, a summary of the concerns that were raised during the consultation process, and the means by which the concerns will be addressed by the applicant; and
- recommendations as to how the community service will be operated to ensure its continued acceptance, and regarding a means for ongoing dialogue and problem resolution with the community.

When the applicant completes the CIS and related study, staff prepare and forward for Council's consideration, a Corporate Report on the application, which includes a

recommendation as to whether the business license should be issued. If Council denies the application, the applicant must be sent written notice of the decision and reasons for the refusal.

DISCUSSION

Based on three years of experience with the CIS requirement, staff recommend amending the Business License By-law, such that a CIS is no longer required as part of the application process for new community service uses in the City Centre, but rather that conditions are applied to all new, transferred or renewed community service business licenses in the area, through the use of a Good Neighbour Agreement. This recommendation is based on the following reasons:

- The Business License By-law's definition of a community service covers a wide range of services, most of which have no negative impacts on the community. These include services for children, Aboriginal people, new immigrants, etc. Over the past three years, the CIS requirement has proven to be an impediment for credible, well-managed, non-profit agencies to effectively secure and deliver needed government-contracted services in the area where many of their clients live; and
- The specific conditions of the proposed Good Neighbour Agreement for Community Services in the City Centre will require that the operators of all community services manage their business in a manner that does not disturb the peace, quiet and enjoyment of the neighbourhood.

It is important to note that the definition of a "community service use" does not include residential uses. New homeless shelters require rezoning and, through the related approval processes, Council has the opportunity to decide whether or not the new facility and its proposed location are appropriate.

Non-Profit Business License Applications between 2005 and 2008

Since the CIS requirement was introduced in June 2005, only one non-profit society has applied for and obtained a community service business license in the City Centre.

The Surrey House of Grace Society (the "HG Society"), located near 108 Ave and King George Highway, is a faith-based organization that holds a prayer meeting followed by a light lunch three days per week, for the homeless and at-risk population.

On May 8, 2006, Council considered Corporate Report No. RO84 and authorized the issuance of a business license to the HG Grace Society, subject to the business license containing conditions relating to hours when food can be distributed, limiting loitering, ensuring the clean up of any litter, and prohibiting the use of drugs within or in proximity of the premises. The HG Society was required to submit a letter of confirmation that it would meet additional conditions in relation to the ongoing operation of the business including:

- informing all clients that they cannot loiter and that no substance use is permitted within or in the proximity of the business premises;

- having a trained social service worker attend their prayer/lunch service on a monthly basis to assess the regular clientele of the service and to advise the HG Society as to other services that are available that would be of benefit to their regular clients;
- informing its members and volunteers who assist in providing the prayer service and lunch about other social service providers/programs in the City of Surrey and their target clientele and that the HG Society proactively refer clients to other appropriate services, as necessary; and
- meeting on a monthly basis with the Executive Director of the Whalley Business Improvement Association to discuss any concerns that area business owners have with the HG Society's services and to discuss solutions to those concerns and subsequently implement such solutions.

Corporate Priorities

Social Plan

Since the adoption of the Social Plan by Council in February 2006, and the subsequent release of the Crime Reduction Strategy in February 2007, the City has been actively engaged in developing partnerships with senior levels of government, social service agencies, and community stakeholders to develop innovative "made in Surrey" solutions to social issues. Council's advocacy efforts with senior levels of government are meeting with success and resulting in new opportunities for enhanced facilities and programs in Surrey. It is important that the City's policies and regulations are consistent with this new direction.

City Centre Plan Update

The City is undertaking a planning process to update the City Centre Land Use Plan. The purpose of the Plan is to guide future development and growth so that the area becomes a sustainable and vibrant downtown for Surrey and the South Fraser sub-region.

The City Centre is currently in a state of transition, with the establishment of the SFU Surrey campus, increased private sector development activity, a 2010 Olympic Games Preparation Centre, and the City's investment in civic facilities in the area. From a social perspective, this revitalization presents opportunities for new and innovative partnerships involving government, non-profit, and educational organizations to develop a social infrastructure that will contribute to the creation of a healthy and vibrant community.

Community Services in the City Centre

The City supports the distribution of social services to communities throughout the City. However, services need to be located so that they are accessible to the people using them (close to where clients live and/or on transit routes), and where suitable space is available.

Community services encompass a broad range of services provided to a diverse range of people. It should be noted that the significant majority of non-profits in the City Centre area do not provide services to the homeless population.

Social Planning Advisory Committee Input

In its 2007 - 2008 Work Plan, the Social Planning Advisory Committee identified the CIS requirement as an issue for review and recommendation to Council. The Committee devoted its January 24, 2008 meeting to this topic and heard presentations by the consultant who prepared the one CIS that has been considered by Council, local non-profit service providers and the Executive Director of the Downtown Surrey BIA. Key points raised in the presentations included:

- The consultant who prepared the CIS report for the HG Society concluded that the impact of the prayer/lunch service on the community was minimal. She noted the challenge in trying to measure the impact of a service and suggested that the City take a more proactive role in coordinating social services and educating the faith community and the public about homelessness;
- The BIA strongly supports the continuing use of the CIS and recommends that the City require Good Neighbour Agreements for all community services as a formal mechanism to support on-going communications between the social service operators and the community; and
- Both presentations by the non-profit service providers indicated that the CIS is an impediment for Surrey-based non-profits to respond to Requests For Proposals for service contracts from senior governments. Provincial and Federal governments expect non-profits to demonstrate that they can begin delivering services in a timely fashion. The CIS creates delays, and since no other municipality in the Province has such a process, it puts Surrey agencies at a disadvantage when competing for scarce government resources. The CIS process also creates uncertainty. A prospective landlord is not likely to hold space vacant while the non-profit goes through the CIS process. The costs associated with the CIS are not included in budgets so has to come out of existing service budgets.

The Social Planning Advisory Committee's discussion focussed on how the process might be simplified. The issue of developing a simplified process was referred back to staff for further study.

Good Neighbour Agreement

To address the BIA's concerns about the potential negative impacts of social services on neighbouring businesses and the Social Planning Committee's suggestion to simplify the process, while at the same time not creating barriers for the provision of needed social services, staff is recommending the adoption of a requirement for a Good Neighbour Agreement for community services in the City Centre.

Role of a Good Neighbour Agreements

Good Neighbour Agreements have been used extensively throughout the United Kingdom and the United States to prevent harmful or disruptive behaviour and to promote positive behaviour in the community. These agreements set out reasonable behaviour and responsibilities by which parties to the agreement agree to abide. They also outline how complaints will be addressed. Failure to abide by the terms of the agreement could constitute grounds for Council to consider suspending or revoking the related business license.

Several BC municipalities, including Surrey, have implemented Good Neighbour Agreements for liquor-licensed establishments (City Policy No. M-25). Nanaimo and Victoria have Good Neighbour Agreements for specific social service facilities, including a homeless drop-in, soup kitchen program and treatment services.

Provisions of the Community Charter

Section 8(6) of the *Community Charter* provides enabling legislation to regulate businesses. Section 15(1) allows Council to establish terms and conditions that must be met for obtaining, holding or renewing a license. Council may suspend or cancel the license for failure to comply with the terms and conditions.

Good Neighbour Agreement for Community Services in the City Centre

The terms and conditions in the proposed “Good Neighbour Agreement for Community Services in the City Centre” (Appendix II) include that the operator:

- keep the premises neat and tidy, including the secure storage of garbage and clean up of litter;
- promote the orderly conduct of clients, including discouraging loitering and prohibiting the use of alcohol and illegal drugs within or in proximity of the business;
- work with the City, the RCMP and the community to resolve any nuisance or safety issues that may arise; and
- if required, attend a formal meeting with the City to discuss issues or concerns.

Implementation of the Good Neighbour Agreement

It is recommended that the signing of a Good Neighbour Agreement for Community Services in the City Centre be a pre-requisite for the issuance, transfer or renewal of a of a business licence for a community service use in the City Centre,

The implementation of this Good Neighbour Agreement will require:

- a text amendment to the Business License By-law, as documented in Appendix I. Pursuant to Section 59(2) of the *Community Charter*, notification of an amendment to

the Business By-law is required. This includes providing an opportunity for persons who consider they are affected by the by-law to make representations to Council; and

- a new City Policy No. M-25A, as documented in Appendix II, reflecting the requirement for a Good Neighbour Agreement for Community Services in the City Centre.

CONCLUSION

Based on the above discussion, it is recommended that Council:

- Approve amendments to the Business License By-law, as documented in Appendix 1 of this report, such that:
 - the preparation of a Community Impact Statement and related study, and its approval by Council, is no longer required as part of an application for a new community service business license application in the City Centre; and
 - the approval process for a new community service business license or the renewal or transfer of an existing licence include the requirement that the applicant/operator sign a Good Neighbour Agreement, as documented in Appendix II of this report;
- Approve the proposed City Policy No. M-25A – "Good Neighbour Agreement for Community Services Uses in the City Centre", attached as Appendix II;
- Authorize the City Clerk to introduce the necessary by-law amendments for the required readings;
- Authorize City Clerk to provide the necessary notification and schedule an information session for those who consider themselves to be affected by the proposed changes to make representations on the proposed changes to Council, as required by Section 59(2) of the *Community Charter*, S.B.C. 2003, c. 26, as amended (the "*Community Charter*"); and
- Authorize the City Clerk to forward a copy of this report to the Downtown Surrey BIA, as information.

Jean Lamontagne
General Manager,
Planning and Development

Craig MacFarlane
City Solicitor

AM:saw

Attachment:

Appendix I Proposed Amendments to Business License By-law, 1999, No. 13680

Appendix II Proposed City Policy No. M-25A "Good Neighbour Agreement for Community Services in the City Centre"

Proposed Amendments to Business License By-law, 1999, No. 13680

The following amendments are proposed to Business License By-law, 1999, No. 13680:

Community Services – Section 46.1

1. Delete Sections 46.(1) and (2) in their entirety; and
2. Insert the following as Section 46.1(1):
 - Every applicant or operator of a Community Service within the boundaries of the area shown on Map D.1 Surrey City Centre of Schedule D to Surrey Zoning By-law, 1993, No. 12000, must enter into a good neighbour agreement with the City of Surrey as a condition precedent to the issuance of a new business license or the renewal, transfer or amendment of an existing business license.



CITY POLICY

No. M-25A

REFERENCE:	APPROVED BY:	CITY COUNCIL
REGULAR COUNCIL – PUBLIC HEARING MINUTES	DATE:	
	HISTORY:	NEW

**TITLE: GOOD NEIGHBOUR AGREEMENT POLICY FOR COMMUNITY SERVICE
USES IN THE CITY CENTRE AREA**

A Community Service Use is defined as follows:

"Community Service means a use by a non-profit society:

- (a) Providing information, referral, counselling, advocacy or physical or mental health services on an out-patient basis;
- (b) Dispensing aid in the nature of food or clothing; or
- (c) Providing drop-in or activity space;

but does not include churches, residential uses and independent group homes".

The City Centre area is the area identified on the Map attached as Appendix "A".

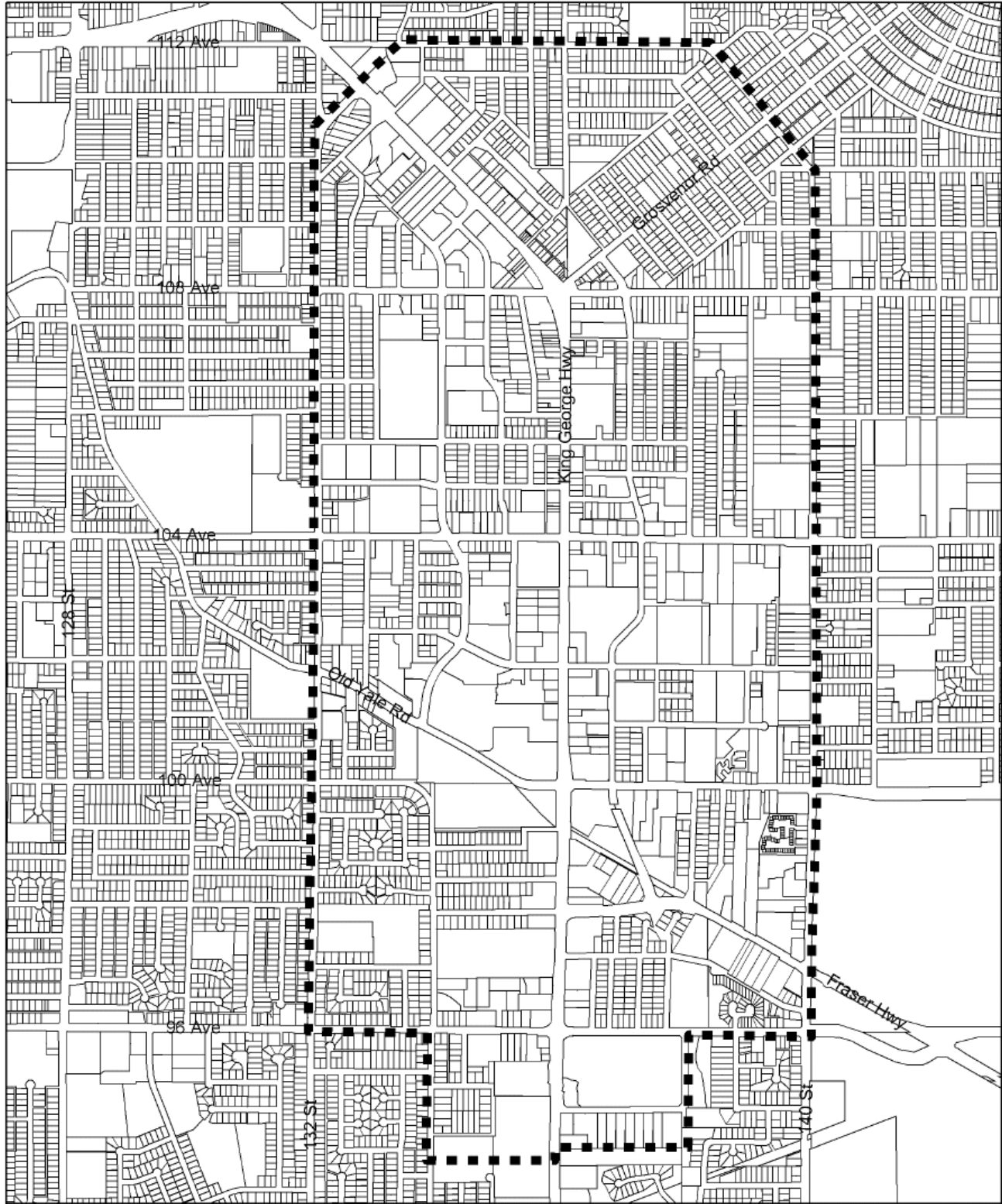
Every operator of a Community Service Use in the City Centre shall, as a condition of receiving a new business license, or transferring or renewing an existing business license for a Community Service Use within City Centre, enter into a Good Neighbour Agreement with the City of Surrey. The Good Neighbour Agreement is contained in Appendix "B".

Background

Concern has been expressed with regard to the concentration of Community Services in the City Centre. The City recognizes that most Community Service Uses are for credible, well-managed, non-profit agencies which deliver needed programs and services in the area where many of their clients live.

The proposed Good Neighbour Agreement for Community Services in the City Centre is attached as Appendix "B" and specifies conditions that will require that the operator of each community service use manage their business in a manner that does not disturb the peace, quiet and enjoyment of the neighbourhood within which the business is located.

Surrey City Centre



CITY CENTRE BOUNDARY

Scale
100
Meters





CITY OF SURREY
GOOD NEIGHBOUR AGREEMENT
FOR COMMUNITY SERVICE USES IN THE
CITY CENTRE

WHEREAS the City of Surrey (the "City") and the non-profit society that operates a community service use (the "Operator") known as _____ located at _____ (collectively the "Parties") wish to ensure that Surrey is a vibrant, safe and attractive community for the enjoyment of everyone; and

WHEREAS the Operator accepts a civic responsibility to ensure the orderly conduct of the clients of the premises and wishes to demonstrate to the citizens of Surrey its desire to be a responsible corporate citizen.

NOW THEREFORE the Operator agrees with the City to enter into this Good Neighbour Agreement, the terms and conditions of which follow:

1. Condition of the Premises

- (a) The Operator undertakes to ensure that the premises shall be maintained in a neat and tidy condition at all times; and
- (b) The Operator undertakes to insure the clean up of any litter in the proximity of the premises on a daily or more frequent basis as may be necessary to ensure that the premises and the environs of the premises remain in a neat and tidy condition and to secure store securely any garbage and litter.

2. Activity of Clients

- (a) The Operator undertakes to monitor and promote the orderly conduct of its clients immediately outside the business premises and to take the appropriate actions to discourage clients from loitering and/or engaging in behaviour that may disturb the peace, quiet and enjoyment of the area in the vicinity of the business premises; and
- (b) The Operator shall take such actions as are necessary to ensure that alcohol or illegal drug use does not occur within or in the proximity of the business premises.

3. Nuisance and Safety

- (a) The Operator shall undertake to implement procedures at the business premises to address any nuisance issues arising as a result of the operations of the business, including loitering, line-ups, litter and congregations of people, and to deal with all issues quickly and thoroughly;
- (b) The Operator shall undertake to work in a timely and cooperative manner with the City, the RCMP, the community and the Downtown Surrey Business Improvement Association to

resolve issues that may arise in the neighbourhood regarding the operation of the business or the conduct of its patrons; and

- (c) When incidents occur, the Operator shall ensure that all personnel of the business cooperate fully with the City and RCMP members and do not impede or obstruct members in performing their duties.

4. Operational Procedures

- (a) The Operator agrees to attend any formal meetings with the City, as and when requested by the City, to discuss issues and concerns.

5. Amendment and Transferability

- (a) Any proposed changes to the terms of this Good Neighbour Agreement shall be discussed and resolved among the Parties.

6. Enforcement

- (a) Any failure on the part of the Operator to comply with the terms outlined herein may be brought to the attention of City Council and Council may in accordance with the requirements and authority of legislation suspend or cancel the Operator's business license or impose additional terms and conditions; and
- (b) Nothing contained or implied in this Good Neighbour Agreement shall prejudice or affect the City's rights and authorities in the exercise of its functions pursuant to the *Community Charter* and *Local Government Act*, as amended, and the rights and powers of the City under provincial and federal statutes and regulations, and City by-laws.

Executed the _____ day of _____, 20____ in Surrey, British Columbia,

Operator)
)
 _____)
 Signature)
)
 _____)
 Name (please print))
)
 _____)
 Signature)
)
 _____)
 Name (please print))
 (If more than one Operator , each Operator
 must sign)

City of Surrey)
)
 _____)
 Mayor Dianne L. Watts)