

## APPENDIX B

### Detailed Description of Options to Regulate Body Rub Parlours

The Administration has explored the regulatory regimes of numerous municipalities across Canada. A high-level overview of the tools used to regulate are outlined in Appendix C. The Administration has also explored the history of decision making by City Council to better understand Council's intentions with regard to such regulation. These intentions can best be understood in the 2015 decision to deny a discretionary use application to establish a strip club. In that decision, City Council included the following as reasons for the denial:

- Public health and safety concerns, notably as expressed by the public, the lack of regulation and licensing of workers, as well as the potential for increased costs of law enforcement
- Lack of collaboration among agencies to ensure worker health and safety
- Adverse impact on adjacent properties and the related negative impact on the overall neighbourhood.

From this decision, the Administration interprets that both safety and neighbourhood impact are important elements of regulating the body rub sector. Different regulatory tools can address these priorities. The options presented are not necessarily mutually exclusive. But they are organized based the primary intention that would be satisfied by the option.

1. **Both Options:** There are recommendations that apply regardless of the option under consideration:
  - Amend the Zoning Bylaw:
    - **Amend:** 'Massage Parlour' to 'Body Rub Parlour' to avoid confusion with therapeutic massage
    - **Add:** Massage Therapy as a personal service. Define Massage Therapy as therapy provided by a Registered Massage Therapist within the context of the bylaws and ethics of one or both of the Massage Therapists Association of Saskatchewan (MTAS) and the Natural Health Practitioners of Canada (NHPC).
2. **Option 1 – Primary Intention:** to minimize impact on adjacent properties and the surrounding neighborhood
  - Enforce the (as amended above) Zoning Bylaw, which currently permits adult services only as Discretionary Use in Industrial Zones. Any currently operating massage parlours are not compliant with the Zoning Bylaw.

#### Implications

- This option could result in the closure or moving to Industrial of any existing establishments, reducing disruption to the neighbourhoods where they are currently located.
- Implementation could begin as soon as the capacity and training for enforcement is addressed. Without increased enforcement resources, will not likely result in any change to the location of adult services in the community. Enforcement could be shared with the

Regina Police Service. Development Officers are not trained or equipped to enforce the kind of operations they might be asked to enter.

- Industrial Zones typically do not have high vehicle or pedestrian traffic volumes or regular police patrols. Less visibility reduces the safety of workers or clients in the sector
- Cost estimate is \$221,000 annually for a minimum of two years or until enforcement objectives are achieved. These costs include one Development Officer and one Police Officer.
- The cost of increased enforcement would be borne solely through tax-based revenues.

3. **Option 2 – Primary Intention:** to enhance the safety of adult services workers and their clients

- Amend the Zoning Bylaw:
  - **Amend Zoning for Body Rub Parlours:**
    - Not permitted: Industrial
    - Permitted (with separation restrictions between establishments and proximity to schools, daycares, and community centres similar to Cannabis Dispensaries):
      - Commercial MAC (Major Arterial Commercial Zone)
      - D – Downtown Zone
- Establish an Adult Services Licensing Bylaw that lays out the licensing and requirements for:
  - Body Rub Establishments
    - Compliance with zoning, including separation distances
    - Compliance with Saskatchewan Health Authority's *Saskatchewan Personal Service Facility Best Management Practices* (subject to inspection by the Saskatchewan Health Authority)
    - Utilization of licensed body rub practitioners exclusively
    - Provision of an up-to-date listing of body rub practitioners that work with the establishment
    - Compliance with CPTED safety standards for site design, lighting, etc.
    - Compliance with appearance standards that do not unduly disrupt the business area in which they are located (signage, etc.)
    - Compliance with restriction against sleeping or dwelling quarters in the establishment
    - Compliance with operator criminal record check
    - Provision of an up-to-date listing of where the establishment is advertised
    - Questions to be examined through engagement with the sector and neighbouring businesses
      - Hours of operation
      - Limit to number of licenses
      - Guidelines for the external appearance of body rub establishments
  - Body Rub Practitioners
    - Agreement to work only in licensed body rub establishments
    - Compliance with criminal record check
    - 18 years of age or older

- Legally able to work in Canada
- Provision of an up-to-date listing of any aliases under which body rub services are provided
- Provision of an up-to-date listing of body rub establishments where the body rub practitioner works
- Provision of an up-to-date listing of where the body rub practitioner is advertised
- Questions to be examined through engagement with the sector
  - Should obtaining training in health protection, safety, and exiting the sector be a condition of licensing?

Implications

- Would allow for the continuation of most establishments currently operating; some enforcement would be required to shut down any current operations that don't comply with the new zoning. If we apply separation distances between establishments there will be issues as some are currently clustered together. The challenge would be in determining who would have to move.
- Could minimize impact on adjacent properties and the surrounding neighborhood through licence requirements regarding signage, appearance of the property, and hours of operation. This option would see the continuation of body rub establishments in commercial zones, potentially creating a disruption to the neighbourhood. This could be mitigated to a certain extent by regulating the appearance and signage of the property.
- Safer for clients and personnel of body rub establishments because of visibility:
  - Less likely to have underage workers, workers with criminal intentions, or workers not authorized to work in Canada
  - Cleanliness and other conditions are subject to health inspection.
  - The proposed zoning areas are more frequently patrolled by law enforcement than would be the case in industrial areas.
- Cost of the program would be \$210,000 annually on an ongoing basis with an additional \$100,000 annually for the first two years and up front one-time licensing program costs of \$200,000. Details are provided below

Item	Cost	Annual Ongoing	Annual Temporary	One-Time
Police Officer (1 FTE)	\$121,000	x		
Development Officer (1FTE)	\$100,000		x	
Licensing Personnel (1 FTE)	\$90,000	x		
Licensing Software	\$200,000			x
<b>Total</b>	\$510,000	\$210,000	\$100,000	\$200,000

- Cost of enforcement can be at least partially recovered through the licensing fee. This is not available in the other option. Resources will vary depending on the fee charged for licensing. Scanning other jurisdictions, the most common practice is to have the establishments incur the greatest proportion of the cost for licensing. An estimate of potential licence fee revenue is provided based on the following assumptions:
  - Establishments bear the greatest burden of the licencing program. Currently 21 establishments are operating in Regina. A conservative estimate is that half of these would continue under the licencing program.
  - The number of licensed service providers in Saskatoon is 90. This figure is used to guide the financial estimate.

<b>Licence Type</b>	<b>Estimated Number of Licences</b>	<b>Example Licence Annual Fee</b>	<b>Total Revenue</b>
Establishment	10	\$5,000	\$50,000
Practitioner	90	\$250	\$22,500
<b>Total Licence Fee Revenue</b>			<b>\$72,500</b>
Total Program Annual Cost			\$210,000
<b>Total Cost to Tax Payer</b>			<b>\$137,500</b>
<b>Percentage Cost Recovery</b>			34.5%