

9. DRAFT BUSINESS REGISTRATION ORDINANCE

STAFF REPORT _____

QUESTIONS FROM COUNCIL ON STAFF REPORT _____

DISCUSSION _____

ACTION TAKEN _____

NOTES:

TO: Mayor and Council
FROM: Laura D. McAloon
DATE: May 2, 2008
RE: Ordinance – Mandatory Business Registration Program

The attached draft ordinance would establish a mandatory business registration program if adopted. As previously discussed by the Council, this ordinance would require all forms of Pullman businesses to register with the City to provide the City with an accurate listing of emergency contact information for every business, including home occupations and residential rental businesses. Inclusion of rental businesses also enables the police department to meet mandatory state reporting requirements for certain criminal offenses.

Registration for almost all businesses would be processed through the State Master License Service (MLS). The single exception to this is itinerant vendors who must register directly with the police department. Registration is required on an address-based criteria, which will require businesses with multiple locations to register each location separately.

This ordinance draft is presented for discussion purposes. If the Council chooses to proceed with adoption of this ordinance, we suggest that it be placed on the agenda for a late May or early June meeting. This will allow staff time to provide MLS with another opportunity to review and comment prior to final action by the Council. However, since implementation will require about six months, adoption should occur no later than June, if you want to require registration by January 1, 2009.

The financial impact of including rental housing under the MLS program is outlined in the attached memorandum from Finance Director Troy Woo.

Memo

To: City Council, Mayor, City Supervisor
From: Troy Woo, Finance Director *TW*
Date: May 1, 2008
Re: Business Registration Fees

The proposed business registration ordinance that will be discussed at the May 6, 2008, refers to a fee schedule. The fee schedule has not been developed, but staff has been recommending a \$20 per application/location fee. Fee information is being provided again with additional changes relating to the partnership with the Washington State Master License Service (MLS).

Information that has been provided in the past regarding the partnership with the MLS has included both benefits and challenges of the potential partnership. The fees associated with both the city and the MLS have been included as a challenge. The MLS application fees are \$15 for the initial application and \$9 for the annual renewal. The city's proposed application fee of \$20 will be in addition to the MLS application fee. If the city partners with the MLS, the total initial application fee will be \$35 and the annual renewal fee will be \$29.

In past discussions with the MLS representatives, we were informed that landlords and rental properties were not a good fit with the MLS. The issues influencing past discussions were the proposed rental inspection program and that most landlords are not required to have state business licenses. Landlords will work with the MLS if the city defines them as businesses and if no application information, beyond what is already collected by the state application and partner city addendum, is required. Staff is recommending that landlords register with MLS the same as other businesses. The same benefits will be realized for landlord registrations that will be realized for other businesses:

- The MLS eliminates the need for city license documents, sending renewal notices and reduces record keeping.
- The MLS saves the businesses time by centralizing state and city licensing requirements into one application and one fee.

- Businesses would have a single renewal date for both the state and city license.
- Businesses would have the option of registering and renewing online.
- The initial implementation of business licensing can be difficult. The MLS will assist with implementation and data conversions. MLS partners can use the Washington State Department of Revenue databases to develop the local business database.
- The MLS performs the following which alleviates staff time:
 - Licensee contacts follow-up for incomplete applications and fees
 - Financial processing such as bad checks and refunds
 - Data entry of license information
 - Maintenance of records

This should be a benefit to those landlords who are already required to license with the state. This will consolidate the application and renewal process to one step rather than requiring registration with the state and then again with the city. It is a different story for those landlords who do not currently license with the state. These landlords will be required to license with the state for the first time. If landlords are not registered through the MLS, then all of the administrative duties listed above will have to be performed by the police department.

If business registration requirements are enacted, then a partnership with the state MLS is strongly recommended. There are many issues that a partnership with the MLS can help address. Given the complexity and unknown scope of the issue, it would be prudent to enlist the help of the MLS partnership.

ORDINANCE NO. 08-

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PULLMAN, WHITMAN COUNTY, WASHINGTON, RELATING TO BUSINESS REGISTRATION, ADDING CHAPTER X.XX, BUSINESS REGISTRATION, AND OTHER MATTERS PROPERLY RELATED THERETO.

WHEREAS, the City Council has considered the benefits of creating a business registration program for the public safety purposes of obtaining emergency contact and mandatory reporting under certain state laws; and

WHEREAS, the City Council has determined it is in the best interests of the residents of Pullman to implement business registration for all businesses within the City, including home occupations, residential landlords and itinerant vendors;

NOW, THEREFORE, the City Council of the city of Pullman do ordain as follows:

Section 1: There is hereby added a new Chapter X.XX to the Pullman City Code entitled Business Registration.

Section 2: There is hereby added a new section X.XX.010 to the Pullman City Code to read as follows:

X. XX. 010 Purpose. The purpose of this chapter is to provide for a means for obtaining public safety and emergency contact information on existing and new businesses in the City, and to assist in the effective administration of the City's obligations under state and local laws.

Section 3: There is hereby added a new section X.XX.020 to the Pullman City Code to read as follows:

x.xx.020 Definitions. For the purposes of this chapter, the following terms, phrases, words and their derivations shall have the meanings given in this section:

- (1). "Business" includes all activities, occupations, pursuits or professions located and/or engaged in

within the City, with the object of gain, benefit or advantage to the person engaging in the same, or to any other person or class, directly or indirectly, including those conducted at a place of residence within the city. It also includes general contractors providing services within the city, landlords conducting residential property management or rental within the City, home occupations as defined in PCC Chapter 17.55, and itinerant vendors. It does not include, however, persons conducting garage sales upon their residential real property and wholesale distributors selling products to businesses within the City unless said distributor has an office, warehouse or other business establishment located within the City.

- (2) "City" means the City of Pullman.
- (3) "Engaged in business" means commencing, conducting or continuing in business or carrying on any form of activity for gain, profit, or advantage, whether direct or indirect, within the City.
- (4) "Registration" or "licensee," as used generally in this chapter, means and includes respectively the words "permit" or "permittee" or the holder for any use for a period of time of any similar privilege, whether relevant to any provision of this chapter or other law or ordinance.
- (5) "Person" includes the singular and the plural and also means and includes any person, firm, corporation, association, club, partnership, limited liability company, individual receiver, assignee, trustee in bankruptcy, trust, estate,

joint venture, company, society or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise.

- (6) "Premises" means and includes all lands, structures and places at a single physical location, and also any property which is either affixed to, or otherwise used in connection with the business conducted on such premises.
- (7) "City Supervisor" means the Pullman City Supervisor or his or her appointed designee.
- (8) "Itinerant Vendor" means any person who, while selling or offering for sale any goods, wares, merchandise or anything of value, stands, or is otherwise present, in any unenclosed vacant lot, parcel or land, or in any other place not used by such person as a permanent place of business.
- (9) "Nonresident business" means a business with a place of business located outside the borders of the city of Pullman and that provides services within the city limits that require registration of the business with the city.

Section 4: There is hereby added a new section X.XX.030 to the Pullman City Code to read as follows;

X.XX.030 Business Registration required. Unless exempted in this chapter, no person shall engage in any Business within the City without first having obtained from the City a valid and current business Registration to carry on that business. This registration shall be in addition to any other registrations or permits required by State or Federal laws. Business Registrations are nontransferable. Each of the business premises must be registered separately even if the individual businesses are owned by the same

person. Each business owned by a different person must be registered separately even if co-located at the same premises as another business.

Section 5: There is hereby added a new section X.XX.040 to the Pullman City Code to read as follows:

X.XX.040 Exemptions.

- (1) The provisions of this chapter shall not apply to:
 - (a) Minors doing business or operating a business concern where no other person is employed by the minor;
 - (b) The United States or any instrumentality thereof and the State of Washington or any municipal subdivision thereof;
 - (c) Persons engaged in the delivery of newspapers or periodicals to which the recipient subscribes;
 - (d) The casual sale of personal property where the person selling the item is not regularly engaged in the business of selling said item(s), i.e., garage sales or bake sales;
 - (e) Sales by farmers or home gardeners of produce raised and harvested exclusively upon lands owned or leased for the raising of produce or fruit;
 - (f) Temporary craft booths or food booths lasting five (5) days or less in any one location, provided this exemption shall not apply to itinerant vendors as defined herein.
 - (g) Property owners leasing or renting a residential dwelling unit contained within the a residential structure which is also the owner's primary residence, provided this exemption shall only

apply to residential structures consisting of two or less dwelling units.

- (h) Property owners leasing or renting a dwelling unit in a duplex residential structure where one of the duplex units is occupied by the owner as a principal residence.
- (2) The registration fee portion of this chapter shall not apply to:
 - (a) Fraternal benefit associations or societies as defined in RCW 48.36A.010;
 - (b) Nonprofit religious organizations;
 - (c) Nonprofit organizations, associations, clubs, or corporations that are registered as such with the Washington Secretary of State.

Section 6: There is hereby added a new section X.XX.050 to the Pullman City Code to read as follows:

X.XX.050 Issuance of Registrations Procedure and fees.

- (1) As of January 1, 2009 registration with the City of Pullman shall be required of all persons doing business within the city. Businesses existing before that date must be registered with the city on or before January 1, 2009, and with that registration shall be allowed to continue in the city, notwithstanding any other provisions in this chapter. Identification and registration of businesses existing before January 1, 2009 shall be coordinated with the Washington State Department of Licensing Master License Service.
- (2) Every person wishing to begin conducting business in the City of Pullman after December 31, 2008 and required to procure a Registration under the provisions of this chapter shall make application

for a business Registration, and receive approval from the City, before commencing business in the City. With the exception of Itinerant Vendors, an application for a business registration shall be accomplished by filing a completed Master Business Application with the Washington State Department of Licensing Master License Service. Itinerant Vendors shall make application for a business registration by filing a completed application with the Pullman Police Department. In all instances, the application filing shall include payment of all fees due as established by the City Council. Businesses registering through the Master License Service shall also pay the handling fee authorized by RCW 19.02.075. The applicant shall be required to provide all information requested on said form and failure to do so shall be grounds for refusing to issue the City business registration. In addition, the City Supervisor or his/her designee, from time to time, may request from a person holding a City business Registration that they supply to the City an update of the information that was given on the original Registration application. Failure to supply said update as requested shall be sufficient grounds for revocation of the city business Registration.

- (3) The Master License Service will issue a Registrations and Licenses document to an approved business, imprinted with the proof of an approved registration with the city. The Licenses and Registrations document must be conspicuously

posted at the place of business identified on the document.

Section 7: There is hereby added a new section X.XX.070 to the Pullman City Code to read as follows:

X. XX. 060 Change of place of business. When the place of business of a person required to obtain a registration under this chapter is changed, the person shall inform the Master License Service of the change, in coordination with Permit Services. A change of place of business must be approved by the city before commencing business at the new location. A change of location may require the filing of a new Master Business Application with the Master License Service and payment of application fees. Upon approval of the new business location by the City, a new Registrations and Licenses document shall be issued for the person's new place of business.

Section 8: There is hereby added a new section X.XX.080 to the Pullman City Code to read as follows:

X.XX.070 Ownership change Registration not transferable. When a registered business changes ownership, the Registration of the previous owner may not be transferred to the new owner. The new owner shall apply for a Registration for that place of business by filing a Master Business Application with the Master License Service, in coordination with Permit Services.

Section 9: There is hereby added a new section X.XX.080 to the Pullman City Code to read as follows:

X.XX.080 Registration renewal. An Itinerant Vendor registration shall be valid for ____ months from the date of issuance. A Business Registration issued by the Master License Service shall expire on the date established by the Master License Service and a person shall renew the

business registration through the Master License Service on or before the expiration date in order to continue to engage in business within the City after that date. All businesses must pay a renewal fee as set forth in the current fee resolution, as well as the Master License Service handling fee authorized by RCW 19.02.075 where applicable. The term of registration and the annual city fee amount may be prorated in order to conform the registration expiration date with an expiration date previously established by the Master License Service for the business. Persons not renewing their business registration by the expiration date are subject to a late renewal penalty fee charged by the Master License Service as authorized by RCW 19.02.085 or as established by the City.

Section 10: There is hereby added a new section X.XX.090 to the Pullman City Code to read as follows:

X.XX.090 Enforcement.

- (1) It is unlawful for any person either directly or indirectly to conduct any business for which a registration or permit is required by any regulation or ordinance of the City without a registration or permit therefore being first procured and kept in effect at all times as required by this chapter or other regulation or ordinance of the City. Any violation of this chapter shall, in addition to other penalties provided herein, be a Class civil infraction.

Section 11: This ordinance shall be in full force and take effect five (5) days from and after its publication, or a summary thereof is published, in the official newspaper of the city of Pullman.

PASSED by the City Council of the city of Pullman at a regular meeting held on the day ____ of _____, 2008.

SIGNED by the Mayor in Authentication and Approval Thereof on the _____ day of _____, 2008.

Mayor

ATTEST:

Finance Director

Approved as to form:

City Attorney

Summary Published: _____

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10. PULLMAN ARTS COMMISSION MEMBERSHIP

STAFF REPORT

QUESTIONS FROM COUNCIL ON STAFF REPORT

DISCUSSION

ACTION TAKEN

NOTES:



CITY OF PULLMAN

Administration/Finance


325 S.E. Paradise Street, Pullman, WA 99163

(509) 338-3208 Fax (509) 334-2751

admin@pullman-wa.gov

MEMORANDUM

TO: Mayor and City Council

FROM:  John Sherman, City Supervisor

RE: Discussion of Pullman Arts Commission Membership

DATE: May 1, 2008

At the City Council meeting on April 22, 2008, a discussion took place regarding the Pullman Arts Commission. Within her presentation to the City Council, Anna-Maria Shannon, Chair of the Pullman Arts Commission, requested that the membership of the commission be expanded from seven to eleven. Her rationale for making the request was that the Pullman Arts Commission needs more representation from the performing arts and that more members are needed to address the various responsibilities of the commission.

If you are receptive to granting this request, it will be necessary to make a change in the City Code. The attached draft ordinance has been prepared for your consideration. We would like your guidance on two issues before bringing the ordinance back before you for adoption.

1. Do you want to expand the membership by four as requested or by a lesser number such as two?

We have nine members on the Planning Commission and the Airport Board. Appointing four more members to the Pullman Arts Commission would bring the total members to eleven. This would be the largest board or commission membership within the City although we do have eleven members on the Police Advisory Committee.

2. How do you want to deal with the expiration of terms?

The way the Pullman Arts Commission was established, three members were appointed for one-year terms, two for two-year terms, and two for three-year terms. All reappointments were then to be for three year-terms. This assures that

not all the membership terms on the commission are expiring at the same time. In order to put everyone in the same sequence you may want to consider changing the membership term language for an 11 member commission as follows:

CURRENT CODE LANGUAGE

PROPOSED AMENDED LANGUAGE

Three for one year
Two for two years
Two for three years

Five for one year
Three for two years
Three for three years

In the alternative you may want to just consider the simpler language contained within the City Code pertaining to the Planning Commission. This language states:

The planning commission shall consist of nine (9) members, each of whom shall serve terms of six (6) years.

Similar language for the Pullman Arts Commission could state:

The Pullman arts commission shall consist of eleven (11) members, each of whom shall serve terms of three (3) years.

The attached draft ordinance has been prepared showing a membership of eleven with staggered terms. If this is acceptable to you we will simply bring it back at the next meeting for adoption.

ORDINANCE NO. 08-

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PULLMAN, WHITMAN COUNTY, WASHINGTON, RELATING TO TITLE 1 ADMINISTRATION, AMENDING CHAPTER 1.53 "ARTS COMMISSION," AND OTHER MATTERS PROPERLY RELATED THERETO.

WHEREAS, at the City Council meeting on April 22, 2008, a discussion was held on the Pullman Arts Commission; and,

WHEREAS, Anna-Maria Shannon, Chair of the Pullman Arts Commission requested to expand the membership of the Pullman Arts Commission from seven to eleven members in order to gain more representation from the performing arts and to have more members available to perform Pullman Arts Commission related tasks; and,

WHEREAS, the City Council feels this is a well-reasoned request worth implementing; now, therefore,

The City Council of the city of Pullman do ordain as follows:

Section 1: Pullman City Code 1.53.010 and Pullman Ordinance No. 05-24 §2 (2005) are each hereby amended to read as follows:

1.53.010 Created -- Membership. There is created an Arts Commission. The commission shall consist of ~~seven~~ eleven members appointed by the Mayor with the consent of the Council, from individuals of recognized fitness for such a position. Commission membership shall consist of a majority of Pullman residents. The first appointed commissioners shall be appointed to fill terms as follows: ~~three-five~~ for one year; two-three ~~for two-three~~ years; two ~~for three~~ years. Thereafter, all appointments shall be for a term of three years. If a commissioner should resign before the expiration of his term, the Mayor, with consent of the Council, shall appoint an individual to complete said term.

Section 2: This ordinance shall be in full force and take effect five (5) days after its publication, or a

summary thereof is published, in the official newspaper of the city of Pullman.

| PASSED by the City Council of the city of Pullman at a regular meeting held on the _____ day of _____, 2008.

| SIGNED by the Mayor in Authentication and Approval Thereof on the _____ day of _____, 2008.

Mayor
ATTEST:

Finance Director

Approved as to form:

City Attorney
Summary Published: _____