

TO: City Council
FROM: Planning Commission
DATE: July 17, 2018
RE: Certificate of Occupancy for Business Licensing

The Planning Commission has had ongoing discussions about preventing businesses from operating in buildings that do not have approved building permits. We asked the City Manager to get feedback from the City Attorney. The Attorney indicated the City could do either of the following:

- A. Require a copy of the business' Certificate of Occupancy from the County as part of the license application process. Only businesses operating in facilities within the City limits would need to comply with this requirement.
- B. Add language to the Municipal Code that a business license could be revoked or suspended for operating a business within the City limits in a building that is in violation of County building codes.

To implement Option A, the Council would need to modify Section 4.04.050 as follows:

Section 4.04.050 License application.

A. Application for a business license, or for renewal of a business license shall be made to the office of the City Recorder upon forms furnished by the City. Each application shall contain the following information:

1. The registered business name;
2. The location of the business;
3. The mailing address of the business;
4. The business telephone number;
5. A description of the business;
6. The name and address of the owner;
7. The date of application;
8. The fiscal year for which application is made;
9. The amount of money tendered with the application;
10. The average number of employees regularly employed by the business;
11. Social Security Number or Federal Identification Number;
12. Contractor's construction board number (if any);
13. Signature of owner;
14. Certificate of Occupancy from Lincoln County for the facility (if business is operated in a facility within the City limits);
- ~~145.~~ Number of rental/motel units (if applicable);
- ~~156.~~ Number of seats (restaurants, lounges, taverns);
- ~~167.~~ Any other information necessary to enable the City to review the application under subsection B of this section and to determine the appropriate fee.

To implement Option B, the Council would need to modify Section 4.04.100(A) as follows:

Section 4.04.100 Denial, revocation or suspension of license.

A. The City Recorder may deny, suspend or revoke a business license upon finding that:

1. The licensee fails to meet the requirements of, or is doing business in violation of federal, state or county laws or city ordinances;
2. The applicant has provided false or misleading material information;
3. The applicant's past or present violation of law or ordinance presents a reasonable doubt about his or her ability to perform the licensed activity without endangering property or the public health or safety;
4. The licensed activity would endanger property or the public health or safety;
5. The licensed activity is conducted in a facility within the City limits that does not meet Building Code standards.

Planning Commission Recommendation

The Planning Commission prefers Option A as it puts the responsibility on the business owner to provide documentation of operation in a legal facility before a license is issued. Option B would require the City to take action to find the violations, then to revoke the license, which could involve significant legal actions.

The Planning Commission asks you to consider adopting one of these two remedies for businesses operating in unsafe buildings or buildings in violation of standard building codes.