

ORDINANCE NO. 49-18

AN ORDINANCE of the City of Richland amending Chapter 5.04 of the Richland Municipal Code related to Business, Professions, and Occupations by adding new section RMC 5.04.095 defining “engaging in business”; amending RMC 5.04.010 and RMC 5.04.245 to comply with EHB 2005; and adding a temporary business license for vendors participating in special events.

WHEREAS, the City of Richland has need, from time to time, to amend the Richland Municipal Code (RMC) to eliminate conflicts and ambiguities, and to come into compliance with state or federal law; and

WHEREAS, in 2017, the Washington State Legislature passed EHB 2005 related to municipal business licensing. Codified as Chapter 35.90 RCW, EHB 2005 requires those cities that issue a general business license to partner with a business licensing service, and to adopt model code provisions to ensure that the business licensing service is technically able to administer each city’s business license code; and

WHEREAS, the City of Richland currently partners with the Department of Revenue’s Business Licensing Service (BLS), and will continue to do so to maintain compliance with Chapter 35.90 RCW; and

WHEREAS, to ensure compliance with Washington law, the model ordinance language must be adopted.

NOW, THEREFORE, BE IT ORDAINED by the City of Richland as follows:

Section 1. Chapter 5.04 of the Richland Municipal Code, as enacted by Ordinance No. 83, and last amended by Ordinance No. 06-11, is hereby amended to read as follows:

- 5.04.010 Purpose.
- 5.04.020 Severability.
- 5.04.030 Definitions.
- 5.04.040 Business defined.
- 5.04.050 City defined.
- 5.04.060 City council defined.
- 5.04.070 City license officer defined.
- 5.04.080 City manager defined.
- 5.04.090 Employee defined.
- 5.04.095 Engaging in business defined.
- 5.04.100 License defined.
- 5.04.105 License year.
- 5.04.110 Person defined.
- 5.04.120 Premises defined.

- 5.04.125 State defined.**
- 5.04.130 Occupations subject to tax and amounts.**
- 5.04.140 Determination of number of employees – Part-time employees.**
- 5.04.150 Determination of number of employees – Alternative method.**
- 5.04.160 Determination of number of employees – Employees working outside the city.**
- 5.04.162 Determination of number of employees – New businesses.**
- 5.04.170 Compliance required.**
- 5.04.175 Unlawful business not authorized.**
- 5.04.180 One act constitutes doing business.**
- 5.04.190 Agents responsible for obtaining license.**
- 5.04.200 Separate license for branch establishments.**
- 5.04.220 Joint license.**
- 5.04.230 No license required for mere delivery.**
- 5.04.240 No license required for certain salesmen.**
- 5.04.243 Trade shows, business promotions – Special licenses.**
- 5.04.245 Exemptions.**
- 5.04.250 Temporary special permits to nonprofit enterprise.**
- 5.04.260 Application for special permit.**
- 5.04.270 Special permittees must conform.**
- 5.04.280 City license officer – Powers and duties.**
- 5.04.290 Information confidential.**
- 5.04.300 Qualifications of applicants.**
- 5.04.310 Procedure for issuance of license – Formal application required.**
- 5.04.320 Issuance of receipts.**
- 5.04.330 Renewal license procedure.**
- 5.04.340 Duplicate license procedure.**
- 5.04.350 Nonapproval of license – Refund of fees.**
- 5.04.360 Nonapproval of license – Applicant not to engage in business.**
- 5.04.370 Determination of city license fee – Fee established.**
- 5.04.380 Tax and license period.**
- 5.04.385 Utilization of business license fee revenues.**
- 5.04.386 Organizations qualified to use business license reserves.**
- 5.04.387 City of Richland department use of business license reserves.**
- 5.04.388 Commercial improvement program.**
- 5.04.400 Rebate of fee – General prohibition.**
- 5.04.410 Rebate of fee collected in error.**
- 5.04.430 Contents of license.**
- 5.04.440 General obligations of licensee.**
- 5.04.450 Display of license.**
- 5.04.460 Inoperative licenses, special permits.**
- 5.04.470 Unlawful possession.**
- 5.04.475 Change of business structure.**
- 5.04.480 Change of location – Notice.**
- 5.04.490 Where applicant fails to keep records.**
- 5.04.500 Investigations.**

- 5.04.510 Order to comply – Issuance.
- 5.04.520 Order to comply – Notice.
- 5.04.530 Period for compliance.
- 5.04.540 Hearing.
- 5.04.550 Modifying authority of license officer.
- 5.04.560 Suspension or revocation.
- 5.04.570 Right of appeal.
- 5.04.580 Hearing.
- 5.04.590 Effect of decision.
- 5.04.600 Liability of violator.
- 5.04.605 Late payment.
- 5.04.610 Violations – Penalties.

5.04.010 Purpose.

The provisions of this chapter shall be deemed an exercise of the power of the city of Richland to license for revenue. The City expressly intends that engaging in business, as defined by this Chapter, include any activity sufficient to establish nexus for purposes of applying the license fees set forth herein under the law and the constitutions of the United States and the State of Washington. Nexus is presumed to continue as long as the taxpayer benefits from the activity that constituted the original nexus generating contact or subsequent contacts.

5.04.020 Severability.

If any section, subsection, sentence, clause, phrase or portion of this chapter is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions hereof.

5.04.030 Definitions.

For the purpose of this chapter, the following terms, phrases, words and their derivations shall have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number and words in the singular include the plural number. The word “shall” is always mandatory and not merely directory.

5.04.040 Business defined.

“Business” is meant to include all kinds of vocations, occupations, professions, enterprises, establishments, including some large nonprofit organizations, and all other kinds of activities and matters, together with all devices, machines, vehicles and appurtenances used therein, any of which are conducted for private profit, or benefit, either directly or indirectly, on any premises in this city, or anywhere else within its jurisdiction.

5.04.050 City defined.

“City” is the city of Richland.

5.04.060 City council defined.

"City council" is the city council of the city of Richland.

5.04.070 City license officer defined.

"City license officer" or "license officer" is the finance manager or designee of the city of Richland.

5.04.080 City manager defined.

"City manager" is the city manager of the city of Richland.

5.04.095 Engaging in business defined.

A. The term "engaging in business" means commencing, conducting, or continuing in business, and also the exercise of corporate or franchise powers, as well as liquidating a business when the liquidators thereof hold themselves out to the public as conducting such business.

B. This section sets forth examples of activities that constitute engaging in business in the City, and establishes safe harbors for certain of those activities so that a person who meets the criteria may engage in *de minimus* business activities in the City without having to pay a business license fee. The activities listed in this section are illustrative only and are not intended to narrow the definition of "engaging in business" in subsection (1). If an activity is not listed, whether it constitutes engaging in business in the City shall be determined by considering all the facts and circumstances and applicable law.

C. Without being all inclusive, any one of the following activities conducted within the City by a person, or its employee, agent, representative, independent contractor, broker or another acting on its behalf constitutes engaging in business and requires a person to register and obtain a business license.

1. Owning, renting, leasing, maintaining, or having the right to use, or using, tangible personal property, intangible personal property, or real property permanently or temporarily located in the City.
2. Owning, renting, leasing, using, or maintaining, an office, place of business, or other establishment in the City.
3. Soliciting sales.
4. Making repairs or providing maintenance or service to real or tangible personal property, including warranty work and property maintenance.
5. Providing technical assistance or service, including quality control, product inspections, warranty work, or similar services on or in connection with tangible personal property sold by the person or on its behalf.
6. Installing, constructing, or supervising installation or construction of, real or tangible personal property.

7. Soliciting, negotiating, or approving franchise, license, or other similar agreements.
8. Collecting current or delinquent accounts.
9. Picking up and transporting tangible personal property, solid waste, construction debris, or excavated materials.
10. Providing disinfecting and pest control services, employment and labor pool services, home nursing care, janitorial services, appraising, landscape architectural services, security system services, surveying, and real estate services including the listing of homes and managing real property.
11. Rendering professional services such as those provided by accountants, architects, attorneys, auctioneers, consultants, engineers, professional athletes, barbers, baseball clubs and other sports organizations, chemists, consultants, psychologists, court reporters, dentists, doctors, detectives, laboratory operators, teachers, veterinarians.
12. Meeting with customers or potential customers, even when no sales or orders are solicited at the meetings.
13. Training or recruiting agents, representatives, independent contractors, brokers or others, domiciled or operating on a job in the City, acting on its behalf, or for customers or potential customers.
14. Investigating, resolving, or otherwise assisting in resolving customer complaints.
15. In-store stocking or manipulating products or goods, sold to and owned by a customer, regardless of where sale and delivery of the goods took place.
16. Delivering goods in vehicles owned, rented, leased, used, or maintained by the person or another acting on its behalf.

D. If a person, or its employee, agent, representative, independent contractor, broker or another acting on the person's behalf, engages in no other activities in or with the City but the following, it need not register and obtain a business license.

1. Meeting with suppliers of goods and services as a customer.
2. Meeting with government representatives in their official capacity, other than those performing contracting or purchasing functions.
3. Attending meetings, such as board meetings, retreats, seminars, and conferences, or other meetings wherein the person does not provide training in connection with tangible personal property sold by the person or on its behalf. This provision does not apply to any board of director member or attendee engaging in business such as a member of a board of directors who attends a board meeting.

4. Renting tangible or intangible property as a customer when the property is not used in the City.
5. Attending, but not participating in a "trade show" or "multiple vendor events". Persons participating at a trade show shall review the City's trade show or multiple vendor event ordinances.
6. Conducting advertising through the mail.
7. Soliciting sales by phone from a location outside the City.

E. A seller located outside the City merely delivering goods into the City by means of common carrier is not required to register and obtain a business license, provided that it engages in no other business activities in the City. Such activities do not include those in subsection (D).

5.04.090 Employee defined.

"Employee" is any natural person who works for salary or wages or on a commission basis.

5.04.100 License defined.

"License" or "licensee" as used generally herein shall include respectively the words "permit," or "permittee," or the holder for any use or period of time of any similar privilege, wherever relevant to any provision of this code or other law or code.

5.04.105 License year.

As used herein, "license year" shall be defined as a 12-month period following the issuance date of the license. The month of issuance of the original license shall be the month of issuance for any subsequent license to the same business and the license year, except in the case where a business has other renewable endorsements with the state of Washington, in which case the Richland license fee renewal date may be prorated to match the date of those endorsements and shall run from the month and day of the original issuance of the license.

5.04.110 Person defined.

"Person" is meant to include individual natural persons, partnerships, joint adventures, societies, associations, clubs, trustees, trusts, or corporations; or any officers, agents, factors, or any kind of personal representatives of any thereof, in any capacity, acting either for himself or for any other person, under either personal appointment or pursuant to law.

5.04.120 Premises defined.

"Premises" is meant to include all lands, structures, places, and also the equipment and appurtenances connected or used therewith in any business, and also any personal property which is either affixed to, or is otherwise used in connection with, any such business conducted on such premises.

5.04.125 State defined.

“State” is the Washington State Department of Licensing.

5.04.130 Occupations subject to tax and amounts.

A. The sum of \$40.00, plus \$12.00 for each full-time equivalent employee in excess of two, shall be collected from every person engaged in the occupations of:

1. Professions. To include attorney, accountant, physician, dentist, veterinarian, optometrist, engineer, psychiatrist, psychologist, chiropractor, consultant, architect, private teacher and other professions.

2. Retail and Wholesale. To include every person engaged in the business of selling at retail or wholesale (“selling at retail” shall include the providing of competitive telephone service as defined in RCW 82.16.010). Retail shall also include mobile food vendors. For the purposes of this chapter, a mobile food vendor unit is a unit capable of moving or being moved from one location to another, has a Benton-Franklin County food service permit and complies with all health department rules and regulations.

3. Services. To include every person engaged in the business of providing a service such as manufacturing, production, construction, or research or in any business or occupation other than those enumerated above.

4. Day Care. To include home day care (12 or less children) or day care centers (13 or more children). A day care is considered any person who regularly and for compensation provides care during part of a 24-hour day. For the purposes of this chapter, persons caring for a child or children in such child’s or children’s home, whether or not for compensation, and caring for a child or children on a casual or other than regular basis and persons under the age of 18 years, shall not be deemed to be engaged in the business of a family day care or day care center.

B. The sum of \$40.00, plus \$12.00 for each full-time equivalent employee in excess of two, plus an additional \$2.00 for each such person’s apartment units, commercial retail/rental units, houses, storage units or mobile home spaces which are rented or available for rent within the city shall be collected from every person engaged in the occupation of:

1. Property Rentals. Any person having three or more apartment units, houses, commercial retail/rental units or mobile home spaces, or any combination thereof, either rented or available for rent, shall be deemed to be engaged in the business of renting. Each rental of real property with more than four rental units on a single lot or premises shall be deemed a branch establishment or separate place of business for the purposes of this chapter.

2. Nonprofit Organizations with Over 20 Employees. Any nonprofit organization located in Richland with more than 20 Richland employees shall be subject to the requirements of RMC 5.04.250.

5.04.140 Determination of number of employees – Part-time employees.

In determining the license fee to be paid hereunder by each business or occupation, the number of employees shall be the number of employees during the 12-month period immediately preceding the date of licensing for which the license fee is payable. For the purpose of computing the number of employees, each employee who works more than 1,248 hours during the 12-month period shall be counted as one. Where there are employees who have worked less than that number of hours, the total number of hours worked by all such employees shall be added together and divided by 1,248. The number of employees shall be the total of the number of employees working more than 1,248 hours during the year plus the figure computed by dividing total man hours of all employees working less than 1,248 hours by 1,248. Fractions shall be disregarded.

5.04.150 Determination of number of employees – Alternative method.

In determining the license fee to be paid hereunder by each business or occupation, the number of employees may, in place of the method prescribed in RMC 5.04.140, be computed by totaling the number of employees employed on the last regular working day of each month of the 12-month period immediately preceding the date of licensing for which the license fee is payable, and dividing the total by 12.

5.04.160 Determination of number of employees – Employees working outside the city.

In determining the license fee to be paid hereunder by each business or occupation, employees whose work is primarily performed outside the city shall be disregarded. If a business has its corporate office or administrative headquarters within Richland city limits, and is not paying a license fee to Benton County, said company must pay a license fee for all employees regardless of where said employees perform their duties within Benton County.

5.04.162 Determination of number of employees – New businesses.

The license fee or tax to be paid by each business or occupation which commences business during the license year shall be based upon the estimated number of employees of that business or occupation for the remainder of the license year. At the end of the license year, the tax shall be recomputed, based on the number of employees actually employed, and the tax adjusted accordingly.

5.04.170 Compliance required.

It shall be unlawful for any person, either directly or indirectly, to conduct any business or nonprofit enterprise for which a license, or permit, is required by this chapter, without having a license or permit therefor in effect at all times as required by this chapter. The issuance of a license or permit under this chapter shall not waive or excuse compliance with the provisions of any other ordinance of the city. Any person violating any provision of this section shall be guilty of a misdemeanor and shall be punished by a fine not to exceed \$5,000 or by imprisonment for not more than one year, or both such fine and imprisonment.

5.04.175 Unlawful business not authorized.

No license shall be issued under this chapter for an activity that is illegal or unlawful under local, state or federal law.

No license issued under this chapter shall be construed as authorizing the conduct of or continuance of any illegal or unlawful business.

5.04.180 One act constitutes doing business.

For the purpose of this chapter, any person shall be deemed to be in business or engaging in a nonprofit enterprise as set forth in RMC 5.04.250, and thus subject to the requirements of RMC 5.04.130 when he does one act of: (A) selling any goods or service; (B) soliciting business or offering goods or services for sale or hire; (C) acquiring or using any vehicle or any premises in the city for business purposes.

5.04.190 Agents responsible for obtaining license.

The agents or other representatives of nonresidents who are doing business in this city shall be personally responsible for the compliance by their principals and by the businesses they represent with this chapter.

5.04.200 Separate license for branch establishments.

A license shall be obtained in the manner prescribed herein for each branch establishment anticipated to be in use more than 30 days as if each such branch establishment or location were a separate business; provided, that warehouses and distributing plants used in connection with or incidental to a business licensed under the provisions of this chapter shall not be deemed to be separate places of business or branch establishments.

5.04.220 Joint license.

A person engaged in two or more businesses at the same location shall not be required to obtain separate licenses for conducting each of such businesses but, when eligible, shall be issued one license which shall specify on its face all such businesses. The fee charged for such license shall be at the highest applicable rate. Services provided by a retail business which are incidental to or ordinarily associated with the retail business shall not be considered as a different or separate business.

5.04.230 No license required for mere delivery.

No license shall be required of any person for any mere delivery in the city of any property purchased or acquired in good faith from such person at his regular place of business outside the city where no intent by such person is shown to exist to evade the provisions of this chapter.

5.04.240 No license required for certain salesmen.

No license shall be required in the case of salesmen soliciting orders from manufacturers, wholesalers, jobbers, distributors, or retailers, where no other act of business is done in the city.

5.04.243 Trade shows, business promotions – Special licenses.

A. Trade shows, business promotions, and other temporary activities conducted for the purpose of displaying goods and wares, taking orders, or promoting products and/or services collectively, which do not exceed five continuous days' duration, shall be specially licensed by the rate of \$10.00 per exhibitor; provided, however, that the total business license fee for the event shall not exceed \$200.00; provided further, that the total business license fee for nonprofit organizations shall not exceed \$10.00. A nonprofit promoter, under this section, shall pay \$10.00 per participating for-profit exhibitor not to exceed the total business license fee of \$200.00. The promoter is responsible for the collection and payment of the fee imposed under this section and otherwise in this code.

B. Richland businesses which are properly licensed and desire to participate in trade shows, business promotions and other temporary activities of the nature described in subsection (A) of this section shall be issued supplemental licenses, at no cost, which supplemental license allows the Richland business to conduct its activities at the location of the event for which the special license is issued.

C. Vendors participating in a private or city-organized special event must possess a valid business license. Unlicensed vendors shall obtain a temporary business license, at the rate of \$10.00, that expires at the conclusion of the special event. In the alternative, upon application, the city may issue to the host of the private or city-organized special event a master temporary business license for the event covering all vendor participants. In calculating fees for the master temporary business license, the host shall pay \$10.00 per vendor.

D~~E~~. Definitions.

“Promoter” means an individual or organization which initiates and coordinates an event such as trade shows and/or promotional activities.

“Special event” means any organized assemblage of 30 or more persons at any public park which is to gather for a common purpose under the direction and control of a responsible person or agency; or any organized formation, parade, procession or assembly consisting of persons, animals, vehicles or any combination thereof, traveling in unison and with a common purpose upon any street, highway, alley, sidewalk or public way which does not comply with normal and usual traffic regulations or controls; or any other organized activity or set of activities conducted by an individual, group or entity for a common or collective use or benefit and which involves the use of public facilities and the possible or necessary provision of city services ancillary thereto.

“Trade show” means an event or promotion consisting of two or more vendors and/or exhibitors.

5.04.245 Exemptions.

The provisions of this chapter shall not apply to:

A. Any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than \$2,000 and who does not maintain a place of business within the city shall be exempt from the general business license requirements in this chapter. The exemption does not apply to regulatory license requirements or activities that require a specialized permit.

BA. Any person in respect to a business activity with respect to which tax liability is specifically imposed under the provisions of Chapter 5.20 RMC.

CB. Any person in respect to insurance business upon which a tax based on gross premiums is paid to the state of Washington; provided, however, that the provisions of this subsection shall not exempt any person engaging in the business of representing any insurance company, whether as general or local agent or acting as broker for such companies; and provided, further, that the provisions of this subsection shall not exempt any bonding company from tax with respect to the completion of any contract as to which it is a surety, or as to any liability as successor to the liability of the defaulting contractor.

DC. Any person in respect to his employment in the capacity of an employee or servant as distinguished from that of an independent contractor.

ED. The lease, rental or sale of real estate; provided, however, that nothing herein shall be construed to exempt from payment of the license fee or tax any business wherein a mere license to use or enjoy real property is granted, or the income of which is derived from commissions on the sale or rental of real estate.

FE. The business of manufacturing, selling, or distributing motor vehicle fuel, as that term is defined in Chapter 58, Laws of 1933, as amended. (Chapter 82.36 RCW)

5.04.250 Temporary special permits to nonprofit enterprise.

The city license officer shall issue special permits, without the payment of any city license fees, to any person or organization for the conduct or operation of nonprofit enterprise, either regularly or temporarily, when he finds that the applicant operates without private profit for a public, charitable, educational, literary, fraternal, or religious purpose. This section shall not apply to nonprofit organizations with more than 20 employees and which are public, charitable, educational, literary, fraternal, or religious in nature. Nonprofit organizations with 21 employees or more, excluding local, state and federal governmental agencies and educational entities, shall obtain an annual business license under the applicable terms of this chapter. However, a profit organization operating under the sponsorship of a nonprofit organization shall pay all applicable license fees or charges; provided, however, that any for-profit organization engaged in a trade show, business promotion or other temporary activity conducted for the purpose of displaying goods and wares, taking orders, or promoting products and/or services, collectively, which does not exceed five continuous days in duration, and which is operating under the sponsorship of a nonprofit organization, shall be deemed exempt from this provision and shall be subject instead to the provisions of RMC 5.04.243 dealing with trade shows and business promotions.

5.04.260 Application for special permit.

An applicant for a special permit shall submit an application therefor to the city license officer upon forms prescribed by the license officer, and shall furnish such additional information and make such affidavits as the license officer shall require.

5.04.270 Special permittees must conform.

A person or organization operating under a special permit shall operate his nonprofit enterprise in compliance with this chapter and all other applicable rules and regulations except as provided herein.

5.04.280 City license officer – Powers and duties.

The city license officer shall collect city and state license fees and shall issue licenses when applicable in the name of the city to all persons qualified under the provisions of this chapter and shall:

- A. Promulgate and enforce all reasonable rules and regulations necessary to the operation and enforcement of this chapter.
- B. Adopt all forms and prescribe the information to be given therein as to character and other relevant matter for all necessary papers.
- C. Require applicants to submit all information necessary to the administration of this chapter.
- D. Submit applications in a proper case, to interested city officials for their endorsements thereon as to compliance by the applicant with all city regulations which they have the duty of enforcing.
- E. Investigate and determine the eligibility of any applicant for a license as prescribed herein.
- F. Examine the books and records of any applicant or licensee when reasonably necessary to the administration and enforcement of this chapter.
- G. Notify any applicant of the acceptance or rejection of his application and shall, upon his refusal of any license or permit at the applicant's request, state in writing the reasons therefor and deliver them to the applicant.

5.04.290 Information confidential.

The license officer shall keep all information furnished or secured under the authority of this chapter in strict confidence. Such information shall not be subject to public inspection and shall be kept so that the contents thereof shall not become known except to the persons charged with the administration and enforcement of this chapter.

5.04.300 Qualifications of applicants.

The general standards in this chapter set out relative to the qualifications of every applicant for a license under this chapter shall be considered and applied by the city license officer. The applicant shall not be in default under the provisions of this chapter.

5.04.310 Procedure for issuance of license – Formal application required.

Every person required to procure a license under the provisions of this chapter shall submit an application for such license to the city license officer or any unified business identifier (UBI) service location. The application shall:

- A. Be in writing upon forms provided by the city license officer or State of Washington Department of Licensing.
- B. Contain all information necessary to establish compliance with RMC 5.04.300 and any other information which the city license officer shall find to be reasonably necessary to the fair administration of this chapter.
- C. Be accompanied by the full amount of the fees chargeable for such license.

5.04.320 Issuance of receipts.

Whenever a license cannot be issued at the time the application for the same is made, the city license officer shall issue a receipt to the applicant for the money paid in advance, subject to the following conditions: such receipt shall not be construed as the approval of the city license officer for the issuance of a license, nor shall it entitle or authorize the applicant to open or maintain any business contrary to the provisions of this chapter or of any other ordinance or of general law.

5.04.330 Renewal license procedure.

The applicant for the renewal of a license shall submit an application for such license to the city license officer or the State of Washington Department of Licensing. The application shall:

- A. Be a written statement upon forms provided by the State of Washington Department of Licensing.

5.04.340 Duplicate license procedure.

A duplicate license or special permit shall be issued by the license officer or State of Washington Department of Licensing to replace any license previously issued, which has been lost, stolen, defaced, or destroyed (without any willful conduct on the part of the licensee).

5.04.350 Nonapproval of license – Refund of fees.

The license officer shall, upon disapproving any application submitted under the provisions of this chapter, refund all city of Richland fees paid in advance to the applicant, provided the applicant is not otherwise indebted to the city.

5.04.360 Nonapproval of license – Applicant not to engage in business.

When an issuance of a license is denied and any action is instituted by the applicant to compel its issuance, such applicant shall not engage in the business for which the license was refused unless a license be issued to him pursuant to a judgment ordering the same.

5.04.370 Determination of city license fee – Fee established.

City license fees shall be in the amounts established in RMC 5.04.130 and as further determined under this chapter. State administrative fee to be adjusted as reduction to license fee as established in RMC 5.04.130(A)(2) and (4) and (B)(1).

5.04.380 Tax and license period.

The tax and license period shall be for one full year. However, in the first year of the application it may be prorated based upon the origination date of a required state license.

5.04.385 Utilization of business license fee revenues.

A reserve to be known as the business license reserve is hereby created. The reserve will be based upon the following formula: an average of the actual prior two years' business license fees revenues will establish the base annually. Of this average figure, 22 percent will be reserved and accumulated annually. Reserves will be utilized to promote business activities for the purposes of core development, tourism, general economic development, capital expenditures for community improvements, and the prevention of blight.

5.04.386 Organizations qualified to use business license reserves.

Organizations qualified to use the funding reserved and accumulated in the categories as listed above shall include the Tri-Cities Regional Chamber of Commerce, the Tri-Cities Visitors and Convention Bureau, and business improvement districts. These groups shall have as their charter the enhancement of the local business community and the improvement of the environs of the city of Richland. The determination of the appropriate groups to be awarded these funds shall be made by the Richland city council based upon recommendations to the council by the economic development committee which shall review the applications submitted to them. The economic development committee shall develop a set of guidelines for the selection of the recipients, said guidelines to be approved by the city attorney and accepted by the city council.

5.04.387 City of Richland department use of business license reserves.

City of Richland departments are also eligible for use of business license reserves for program or capital expenditures that meet the criteria as set forth in RMC 5.04.385 and as recommended by the economic development committee as set forth in RMC 5.04.386.

5.04.388 Commercial improvement program.

The city of Richland's office of business and economic development is authorized to establish and manage a commercial improvement program ("program"). The purpose of the program is to encourage and enhance economic development, and reduce blight in the city. The program shall be funded annually as determined by the process set forth in RMC 5.04.386. Use of the funds shall be designated for improvement of commercial

areas or properties that exhibit preblight conditions as identified by the economic development committee and for public investment to facilitate private economic development and to limit or eliminate blight. The city's program and participation shall be secured by agreement, such agreement to provide for the city ownership of an interest in the facilities and improvements funded pursuant to the agreement. The city interest in facilities and improvements will be amortized and reduced at the rate of 20 percent per year for each of five years after the construction or installation of the facility or improvement. The consideration for a program agreement includes but is not limited to the anticipated increase in sales tax received by the city and the avoidance of public expenditure on blighted areas. Program facilities and improvements shall be permanent in nature, within view of a public right-of-way or property, and shall be maintained in good, clean working condition by the private party for the duration of the agreement. Determination of the appropriate projects to be awarded these funds shall be made by the Richland city council based upon recommendations to the council by the economic development committee which shall review the applications submitted to them. The economic development committee shall develop administrative guidelines for the program. Said guidelines shall be reviewed by staff and accepted by the city council.

5.04.400 Rebate of fee – General prohibition.

Except as provided in this chapter, no rebate or refund of any license fee or part thereof shall be made by reason of the nonuse of such license or by reason of a change of business rendering the use of such license ineffective.

5.04.410 Rebate of fee collected in error.

The license officer shall have authority to refund a license fee only where it was collected in error.

5.04.430 Contents of license.

Each license issued by the State of Washington Department of Licensing hereunder shall state upon its face the following:

- A. The name of the licensee and any other name under which such business is to be conducted.
- B. The kind and address of each business so licensed.
- C. The dates of issuance and expiration thereof.
- D. Such other information as the license officer shall determine to be necessary.

5.04.440 General obligations of licensee.

Every licensee under this chapter shall:

- A. Keep full and complete records of the number of his employees and the hours worked by each employee.

B. Permit all reasonable inspections of his payroll records by public authorities so authorized by law at all reasonable times.

C. Ascertain and at all times comply with all laws and regulations applicable to such licensed business.

D. Refrain from operating the license businesses on premises after expiration of his license and during the period his license is revoked or suspended.

E. Promptly surrender any license certificate when required by the license officer.

5.04.450 Display of license.

Every licensee under this chapter shall:

A. Display such license in a prominent location upon the licensed premises.

B. When he has no licensed business premises, carry such license on his person.

5.04.460 Inoperative licenses, special permits.

No licensee shall allow any license or special permit to remain posted, displayed or used, after the period for which it was issued has expired; or when it has been suspended or revoked, or for any other reason become ineffective. The licensee shall promptly return such inoperative license or special permit to the license officer.

5.04.470 Unlawful possession.

No licensee shall loan, sell, give or assign to any other person, or allow any other person to use or display, or to destroy, damage or remove, or to have in his possession, except as authorized by the license officer or by law, any license which has been issued to said licensee.

5.04.475 Change of business structure.

Changes in business structure shall require a new license application and the payment of fee. Such changes shall include change of ownership, or corporate status, including, but not limited to, as an example, a change from sole proprietorship to a partnership or corporation.

5.04.480 Change of location – Notice.

A licensee shall have the right to change the location of the licensed business, provided he shall promptly notify license officer of such change of location and the new location is approved by zoning, building inspection divisions and the fire department.

5.04.490 Where applicant fails to keep records.

The license officer shall make his own determination as to the number of employees for any business where the licensee has failed to keep books and records accurately, showing the number of full-time and part-time employees and the hours worked by each employee.

5.04.500 Investigations.

The license officer shall make or cause to be made all investigations reasonably necessary to the enforcement of this chapter.

5.04.510 Order to comply – Issuance.

When a violation of this chapter or of any other law or ordinance has been reported to the license officer, he shall issue to the person reported to be in violation an order to comply.

5.04.520 Order to comply – Notice.

The order to comply shall be in writing, shall be served on the licensee and shall apprise the person affected of his specific violations. In the absence of the person affected or his agent or employee, a copy of such notice shall be affixed to some structure on the premises. Depositing such order in the United States mail shall constitute service thereof.

5.04.530 Period for compliance.

The order to comply shall require compliance within 10 days of serving notice on the affected person.

5.04.540 Hearing.

Upon written application by the person affected, before the expiration of the 10-day period for compliance, the license officer shall order and hold a hearing. Notice of such hearing shall be given the affected person in the manner prescribed in RMC 5.04.520.

5.04.550 Modifying authority of license officer.

Upon written application, or on his own motion, the license officer shall have the authority, in a proper case, to extend the time for compliance, to grant a new hearing date, and to change, modify or rescind any recommendation or order.

5.04.560 Suspension or revocation.

Upon the refusal or failure of the violator to comply with the initial order, or if an appeal is taken, with any order made after hearing, the license officer shall have the authority to suspend or revoke the violator's license. No license, however, shall be suspended or revoked until 10 days has elapsed from the service of the initial order, and if the violator applies for a hearing under RMC 5.04.540, until an order has been made after hearing, and if the violator exercises his right of appeal under RMC 5.04.570, until the city manager has made his findings.

5.04.570 Right of appeal.

Any person aggrieved by any decision of the license officer after hearing shall have the right to appeal to the city manager by filing a written appeal with such officer within 10 days following the effective date of the action or decision complained of.

Such appeal shall set out a copy of the order or decision appealed from and shall include a statement of the facts relied upon to avoid such order.

At the time of filing any such appeal a copy thereof shall be filed by the appellant with the license officer.

5.04.580 Hearing.

The city manager shall fix a time and place for hearing the appeal and shall have served a written notice, as provided in RMC 5.04.520, upon the appellant informing him thereof. The city manager shall also give such notice to the license officer and such officer shall be entitled to appear and defend such order.

5.04.590 Effect of decision.

The findings of the city manager shall be final and conclusive.

5.04.600 Liability of violator.

The amount of any unpaid fee, the payment of which is required hereunder, shall constitute a debt due the city.

The city attorney shall, at the direction of the license officer, institute civil suit in the name of the city to recover any such unpaid fee.

No civil judgment, or any act by the city attorney, the license officer, or the violator shall bar or prevent a criminal prosecution for each and every violation of this chapter.

5.04.605 Late payment.

There shall be added to each fee or tax paid, after it has become due, the sum of \$20.00 or 10 percent of the fee or tax due, whichever is greater. Late payment is to be waived when license renewal is for city license only and not combined with state license renewal.

5.04.610 Violations – Penalties.

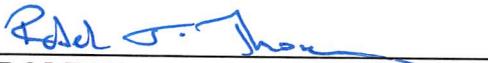
Any person who has violated any provision of this chapter except for RMC 5.04.170 shall have committed a civil infraction subject to a civil penalty as set forth in RMC 10.02.050(E).

Provided, if the same violator has been found to have committed an infraction violation for the same or similar conduct two separate times, with the violations occurring at the same location and involving the same or similar sections of the Richland Municipal Code or other similar codes, the third or subsequent violation shall constitute a misdemeanor, punishable as provided in RMC 1.30.010 for criminal offenses.

For any violation of a continuing nature, each day's violation shall be considered a separate offense and shall subject the offender to the above penalties for each offense.

Section 2. This ordinance shall take effect the day following its publication in the official newspaper of the City of Richland.

PASSED by the City Council of the City of Richland, Washington, at a regular meeting on the 2nd day of October, 2018.


ROBERT J. THOMPSON
Mayor

ATTEST:


MARCIA HOPKINS, City Clerk

APPROVED AS TO FORM:


HEATHER KINTZLEY, City Attorney

Date Published: October 8, 2018