

Introduced by: City Manager
Date: July 11, 2017
Public Hearing: July 25, 2017
Action: **FAILED**
Vote: 0 Yes/ 7 No

Yes:	No:
	Best
	Carrington
	Combs
	DeVries
	Fuller
	Hanson
	LaFrance

CITY OF PALMER, ALASKA

Ordinance No. 17-011

An Ordinance of the Palmer City Council Amending Palmer Municipal Codes 5.04 Business Licenses Regarding Landlords

WHEREAS, a license is required for the privilege of engaging in business in the city; and

WHEREAS, residential rentals are a form of business in the city; and

WHEREAS, the city is not responsible for administration of state business licenses.

THE CITY OF PALMER, ALASKA, ORDAINS:

Section 1. Classification. This ordinance shall be permanent in nature and shall be incorporated into the Palmer Municipal Code.

Section 2. Severability. If any provisions of this ordinance or application thereof to any person or circumstances are held invalid, the remainder of this ordinance and the application to the other persons or circumstances shall not be affected thereby.

Section 3. Palmer Municipal Code Chapter 5.04 is hereby amended to read as follows (new language is underlined and deleted language is stricken):

Chapter 5.04 Business Licenses

5.04.010 Definitions.

In this chapter, unless the context requires otherwise:

A. "Business" means a for profit or nonprofit entity or person engaging or offering to engage in a trade, a service, a profession, or an activity with the goal of receiving a financial benefit in exchange for the provision of services, or goods or other property including commercial rental properties;

B. "Department" means the department of finance;

C. "Director" means the director of the department of finance;

D. "Dwelling" means a building designed or used exclusively for living quarters for one or more families

E. “Landlord” means an owner of a residential dwelling that is rented or leased to an individual;

Ɖ.F. “Licensee” means the person to whom a business or landlord license is issued pursuant to this chapter;

E. G. “Person” includes an individual, firm, partnership, joint venture, association, corporation, estate trust, business trust, receiver, or any group or combination acting as a unit;

G. H. “Seller” shall have the same meaning given in PMC 3.16.020. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 209 § 4, 1978; Ord. 166 § 1, 1972; 1978 code § 3.12)

5.04.020 License – Required.

For the privilege of engaging in business in the city, a person shall first apply on forms required by the department of finance, obtain a license to do so, and pay the license fee provided in PMC 5.04.070. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 166 § 1, 1972; 1978 code § 3.1)

5.04.023 License – Type and duration.

A. Biennial Business License.

1. A biennial business license is issued to a business that provides goods and/or services throughout the year or a portion of the year.
2. Businesses with a biennial business license shall not be required to have a separate business license for participation at the state fair or a special event lasting three days or less.
3. A biennial business license issued for a particular line of business covers all of a licensee's operations in the city for that line of business, regardless of the number of its establishments.
4. A biennial business license is issued for the calendar year for which an application is received and shall expire on December 31st of the following calendar year.
5. A biennial business license is only available to existing business license holders; new businesses cannot apply for a biennial business license until they have an established annual business license.

B. Annual Business License.

1. An annual business license is issued to a business that provides goods and/or services throughout the year or a portion of the year.
2. Businesses with an annual business license shall not be required to have a separate business license for participation at the state fair or a special event lasting three days or less.
3. An annual business license issued for a particular line of business covers all of a licensee's operations in the city for that line of business, regardless of the number of its establishments.
4. An annual business license is issued for the calendar year for which an application is received and shall expire on December 31st of the calendar year in which it was issued.

C. Special Event Business License.

1. A special event business license is issued for the sole purpose and privilege of engaging in business at a special event that lasts three days or less.

2. A separate special event business license is required for each special event lasting three days or less.

3. A special event business license shall expire at the conclusion of the special event.

D. Alaska State Fair Business License.

1. An Alaska State Fair business license is a temporary license issued by the city for the sole purpose and privilege of engaging in business at the Alaska State Fairgrounds during the Alaska State Fair.

2. A state fair business license shall expire at the conclusion of the state fair during the year in which the license was issued. (Ord. 12-017 § 3, 2012)

5.04.025 License – Application – Biennial and annual business license.

An application for a biennial and annual business license shall be made to the director of finance on a form approved by the director and shall be accompanied by the following:

A. The license fee established in the current, adopted budget;

~~B. Proof that the applicant has the following:~~

~~1. A current state of Alaska business license, as required by the state;~~

~~B. 2. Any Copies of any professional or occupational licenses;~~

C. The business address and telephone number to be used by the applicant for the business to be operated pursuant to the license;

D. A complete description of the type(s) of goods and/or services that shall be offered under the business license. (Ord. 12-017 § 3, 2012)

5.04.027 License – Application – Special event and Alaska State Fair business license.

Application for a special event or Alaska State Fair business license shall be made to the director of finance on a form approved by the director and shall be accompanied by the following:

A. The license fee established in the current, adopted budget;

~~B. Proof the applicant has the following:~~

~~1. A current state of Alaska business license, as required by the state;~~

~~B. 2. Any Copies of any professional or occupational licenses;~~

C. The business address and telephone number to be used by the applicant for the business to be operated pursuant to the license;

D. A complete description of the type(s) of goods and/or services that shall be offered under the license. (Ord. 12-017 § 3, 2012)

5.04.028 Landlord License

A landlord license is required for any residential rentals. The landlord license is issued for a calendar year and expires on December 31st of the calendar year for which it was issued. The

application for a landlord license shall be made to the director of finance on a form approved by the director and shall be accompanied by the following:

- A. The license fee established in the current, adopted budget;
- B. The name of the landlord, address and telephone number;
- C. The street address of the residential rental property;
- D. If managed by a third party, contact information for the property manager.

5.04.033 Business or Landlord license not issued.

A. No business or landlord license shall be issued unless a person is compliant with the requirements of this chapter and is current in the payment and collection of sales taxes, or any other payments, fees, taxes, charges, penalties, interest, citation, or other amounts that are due and owing to the city.

B. The department may issue a license to an applicant who does not meet the requirements of this section or who has a history of noncompliance with the code if such applicant posts a bond, furnishes a statement of net worth or additional security to ensure the full and prompt payment of all fees, taxes, charges, penalties, interest or other amounts due the city.

C. Each person who obtains or is required to obtain a business or landlord license in accordance with this chapter consents to the inspection of that person's state business license, application, or other business records as necessary in order to facilitate the accomplishment of the provisions and objectives of this chapter. (Ord. 12-017 § 3, 2012)

5.04.035 Annual or biennial license – Renewal.

Application for renewal of a license and payment of the renewal fee shall be made before February 1st of the applicable year. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 166 § 1, 1972; 1978 code § 3.2. Formerly 5.04.030)

5.04.040 License – Duration.

Repealed by Ord. 12-017. (Ord. 10-017 § 3, 2011; Ord. 166 § 1, 1972; 1978 code § 3.3)

5.04.050 Display of business license.

A. The city business license must be prominently displayed in all locations where the seller conducts business, including temporary locations.

B. A licensee with no permanent place of business shall display the license upon request.

C. Seller shall be charged the fee established in the adopted budget for failure to display a business or landlord license. (Ord. 14-025 § 3, 2014; Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011)

5.04.060 License – Compliance with other provisions required.

A person engaging in a business subject to licensing provisions of a regulatory nature must, in addition to filing the regular application required by this chapter, comply with any other or additional regulatory provisions before being entitled to a license. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 166 § 1, 1972; 1978 code § 3.4. Formerly 5.04.050)

5.04.070 License – Fee.

A. The license fee, established in the current, adopted budget, shall be paid to the city for each business or landlord license and shall be applicable for the calendar year in which the fee is paid.

B. Business or landlord license and ~~permit~~ late fees are nonrefundable.

C. If payment is made by check, bill of exchange, or note which is later returned by the drawee as uncollectible because of insufficient funds or is dishonored by the drawee for any reason, the dishonor is prima facie evidence of nonpayment of the license fee.

D. In event of nonpayment, the applicant shall be subject to additional penalty as prescribed by PMC 5.04.080. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 07-029 § 14, 2007; Ord. 487 § 3, 1995; Ord. 166 § 1, 1972; 1978 code § 3.5. Formerly 5.04.060)

5.04.080 License – Failure to apply – Penalty.

A. Failure to file a business or landlord license application or pay the license fee as prescribed by this chapter shall result in a penalty. The amount of penalty shall be prescribed in the current, adopted budget and shall be due at the same time a license fee is due.

B. Failure to pay a penalty at the time the fee for the license is made may result in denial of a license application.

C. In case of delinquency in the payment of any fee or penalty due under this chapter, the interest rate established in the current, adopted budget shall be assessed. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 07-029 § 15, 2007; Ord. 166 § 1, 1972; 1978 code § 3.6. Formerly 5.04.070)

5.04.090 Surrender of license.

A. A business or landlord license must be surrendered to the city by the licensee to whom it was issued immediately upon the licensee ceasing to do business.

B. If there is a change in ownership or form of organization, such as from a sole proprietorship to a partnership or a corporation, the admission or withdrawal of a partner, or any other change in the ownership structure, the licensee making such change shall surrender the current city business or landlord license to the city for cancellation. The successor owner shall be required to file a new application for a city business or landlord license pursuant to this chapter and upon approval, a new city business or landlord license will be issued. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011)

5.04.100 City manager regulation promulgation authority.

The city manager may, with the approval of the council, promulgate regulations necessary to determine and collect fees imposed and to otherwise enforce the provisions of this chapter. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 166 § 1, 1972; 1978 code § 3.7. Formerly 5.04.080)

5.04.110 Unlawful acts designated.

It is unlawful for a person to:

A. Willfully evade the licensing provisions of this chapter;

B. Fail to make an application for license or fail to keep or produce any records required under this chapter or by regulation;

C. Make a false or fraudulent return or false statement with intent to defraud the city or evade payment of the fee; or

D. Aid or abet another in an attempt to evade payment of the fee. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 166 § 1, 1972; 1978 code § 3.8. Formerly 5.04.090)

5.04.120 False statements by agents prohibited.

It is unlawful for an executive officer or agent of a corporation or agent of a person to make or permit to be made for his or her principal a false return or false statement in answer to an inquiry from the director of finance with intent to evade the payment of the fee or to comply with the provisions of this chapter. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 166 § 1, 1972; 1978 code § 3.9. Formerly 5.04.100)

5.04.130 Violation – Penalty.

Any person violating any requirement of this chapter or any regulation adopted pursuant thereto shall be penalized as an ordinance violator. Nothing in this section shall be construed to limit, but may be in addition to, any other remedy available under this chapter, at law or at equity to enforce violations of this chapter. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 209 § 3, 1978; Ord. 166 § 1, 1972; 1978 code § 3.10. Formerly 5.04.110)

5.04.140 Violation – Testimony required – Compromise.

In a prosecution for a violation under this chapter, no person otherwise competent as a witness is privileged to refuse to testify on the grounds that his or her testimony may incriminate him or her; however, no indictment or prosecution shall afterwards be brought against the witness on account of an offense or transaction concerning which he testifies as a witness. In a prosecution under this chapter, the city attorney may, with the consent of the city ~~council~~manager, compromise the case by accepting from the defendant a sum not less than the fee, penalties and interest provided in PMC 5.04.080 and costs of such prosecution. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011; Ord. 166 § 1, 1972; 1978 code § 3.11. Formerly 5.04.120)

5.04.150 License – Suspension or revocation.

A. The city manager, or designee, may suspend or revoke a business or landlord license if a licensee is in violation of any requirement of this chapter, code, or any regulation adopted pursuant thereto pursuant to the notice requirements of PMC 5.04.160.

B. The city manager, or designee, may immediately suspend the license of a licensee who is delinquent in the remittance of sales tax or sales tax returns under Chapter 3.16 PMC, Sales Tax.

C. A suspension issued under this subsection shall be effective immediately upon the giving of written notice of suspension for failure to remit and pay city sales taxes to the licensee.

D. A license suspended under this subsection shall be lifted upon the licensee's compliance with the city sales tax requirements, including remittance and payment of all delinquent sales taxes, sales tax returns, interest and penalties. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011)

5.04.160 License – Suspension or revocation – Notice.

A. The city manager, or designee, may not suspend or revoke a business or landlord license without first providing the licensee at least 30 days' written notice of the intent to suspend or

revoke the business or landlord license and an opportunity for a hearing on the suspension or revocation, except as provided in PMC 5.04.150(B).

B. The notice required under this section shall be as follows:

1. Notice of the proposed revocation or suspension shall be made in writing and mailed via certified mail, return receipt requested, to the last known address of the licensee.
2. Notice of the proposed revocation or suspension shall contain the name and address of the licensee, the name of the business for which the license was issued, and describe the reason for the revocation or suspension with citation to the relevant code provision, if applicable, and the name, address and telephone number of the city representative to contact concerning the proposed revocation or suspension.
3. The notice of suspension or revocation shall also contain a statement advising licensee of his or her right to request a hearing to challenge the proposed suspension or revocation pursuant to subsections (C) and (D) of this section.

C. The licensee has a right to a hearing on the proposed revocation or suspension by requesting a hearing in writing to the city representative identified in the notice of suspension or revocation not more than 30 days after the date of the notice of proposed revocation or suspension. Within 10 days of receipt of a written request for a hearing, the city manager, or designee, shall schedule a hearing on the proposed suspension or revocation pursuant to PMC 5.04.170.

D. Failure to request a hearing within 30 days of receipt of a notice of suspension or revocation constitutes a waiver of any further rights to appeal under this chapter and the decision of the city manager shall become final 30 days after the date of notice given pursuant to subsection (B) of this section. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011)

5.04.170 License – Suspension or revocation – Hearing.

A. A hearing requested pursuant to PMC 5.04.160 shall be held before the city manager or designee. This hearing shall be recorded, conducted in an informal manner, and shall not be bound by the formal rules of evidence.

B. The purpose of the hearing shall be to determine whether good cause exists for suspending or revoking a license issued under this chapter. Good cause exists when it is determined that the licensee is in violation of the requirements of this chapter or any other requirement of this code.

C. The licensee has the right to appear, present evidence, and examine and/or cross-examine witnesses for the purpose of establishing that licensee is not in violation of the requirements of this chapter. The city manager, or designee, has the right to cross-examine any witnesses presented by the licensee.

D. Failure of the licensee to appear at the time set for a hearing requested under this section, except for good cause shown, shall result in a waiver of any further appeal rights and the decision of the city manager becomes final.

E. Within 10 days following the conclusion of the hearing, the city manager, or designee, shall issue a written decision whether to suspend or revoke the license which contains written findings in support of the decision based upon the evidence presented at the hearing. A written decision to suspend or revoke a business or landlord license issued pursuant to this chapter shall advise

the licensee of his or her right to appeal the decision pursuant to PMC 5.04.180. A copy of the decision shall be provided to the licensee via certified mail, return-receipt requested, and shall take effect immediately upon its issuance. (Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011)

5.04.180 Appeals to superior court.

A. A licensee may appeal a decision made pursuant to PMC 5.04.170 not later than 30 days following the date of written notice of the decision from the city manager. Failure to appeal a decision made pursuant to PMC 5.04.170 within 30 days of the date of notice constitutes a waiver of his or her appeal rights and the city manager's decision becomes final.

B. Appeals from the written decision of the hearing officer shall be made to the superior court for the state of Alaska, in Palmer, Alaska. The hearing before the superior court shall be treated as an administrative appeal heard solely on the record and shall be governed by Part VI of the Alaska Court Rules of Appellate Procedure (Superior Court as an Appellate Court), as amended.

C. A licensee bringing an appeal under this section shall be responsible for the costs to prepare a transcript and record of the hearing conducted in accordance with PMC 5.04.170. Upon receipt of a notice of appeal, the director of finance shall estimate the cost of preparing the transcript of the hearing and compiling the record on appeal. The licensee shall deposit the estimated costs for preparation of the transcript and record with the director in advance of preparation of the transcript and record. The director shall refund any excess deposit or charge to the business owner for costs exceeding the deposit. (Ord. 15-022 § 6, 2015; Ord. 12-017 § 3, 2012; Ord. 10-017 § 3, 2011)

Section 4. Effective Date. Ordinance No. 17-011 shall take effect July 25, 2017.

FAILED