

ORDINANCE NO. 692

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON
AMENDING SHORELINE MUNICIPAL CODE, CHAPTER 5.05
BUSINESS LICENSES, TO ALLOW FOR A LIMITED EXCEPTION TO
LICENSING REQUIREMENTS FOR SMALL BUSINESS AT CITY-
SPONSORED OR NON-PROFIT SPONSORED EVENTS.**

WHEREAS, the City of Shoreline is a non-charter optional municipal code city as provided in Title 35A RCW, incorporated under the laws of the state of Washington (hereinafter referred to as “City”); and

WHEREAS, the City provides for community programs, such as recreational classes, for which the City contracts with individuals or small business to provide; and

WHEREAS, the City along with non-profit organizations routinely sponsor shows, festivals, or other similar types of events (hereinafter referred to as the “Events”) within the City limits which provide an opportunity for small businesses to sell goods and/or services at retail to those attending or provide for recreation instruction as part of the City’s programs; and

WHEREAS, Shoreline Municipal Code (SMC), Chapter 5.05, requires any person, firm, or corporation which is required to register with the Washington State Department of Revenue to engage in any business, occupation, or pursuit in the City to obtain a business license; and

WHEREAS, the City has set forth an appropriate fee in SMC 3.01.200 for a business license and SMC 5.05.040 provides for limited exceptions to this fee but does not address small business of the types providing recreational services and/or retail sales; and

WHEREAS, to require businesses seeking to contract with the City for recreational services or to participate in Events, most of which are small businesses, to secure a city business license and pay the associated fee would provide an economic burden on those businesses; and

WHEREAS, allowing for an exemption of the city business license fee would encourage place-making by allowing small businesses to participate and engage with the community without the burden of the license fee; and

WHEREAS, the economic burden imposed on these small businesses by requiring them to pay a city business license fee could result in a decision by these businesses not to contract with the City or to participate in Events, with the loss of small business participation adversely impacting recreational services and the Events, potentially resulting in their cancellation; and

WHEREAS, the loss of these types of services and Events would be adverse to the best interests of the citizens of Shoreline and the community they have built; and

WHEREAS, the City Council has determined it to be in the best interests of the citizens of Shoreline and the community to ensure these types of Events continued and that a diverse variety of businesses are encouraged to participated, including small business;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. Amendment to Shoreline Municipal Code. Shoreline Municipal Code, Title 5, Section 5.05 shall be amended as follows providing for an exemption from business license regulations:

SMC 5.05.040 – Exception – Applicability of Provisions

This chapter shall not be applicable to:

A. The performance of governmental or proprietary functions by any instrumentality of the United States, the state of Washington, or any political subdivision thereof.

B. Businesses or activities for which a regulatory business license or franchise is required by any other chapter or section of the Shoreline Municipal Code as now or hereafter enacted or amended.

C. The delivery of goods by vehicle to a customer or client by a business where the sale occurred on a business premises outside of the city and the only event occurring within the city is a delivery.

D. Individuals and/or businesses who conduct limited retail sales as part of a city-sponsored event or a recognized 501(c)(3) non-profit organization-sponsored event no more than six (6) days per year and who generate no more than \$5,000.00 in gross receipts per calendar year within the City.

E. Individuals and/or businesses who provide recreation instructional services or performance services as part of a city-sponsored event or a recognized 501(c)(3) non-profit organization-sponsored event and who generate no more than \$5,000.00 in gross receipts per calendar year within the City.

Section 2. Severability. If any section, sentence, clause, or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause, or phrase of this ordinance..

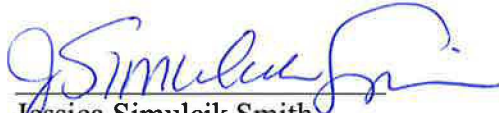
Section 3. Publication and Effective Date. A summary of this Ordinance consisting of the title shall be published in the official newspaper. This Ordinance shall take effect five days after publication.

PASSED BY THE CITY COUNCIL ON JANUARY 5, 2015.


Mayor Shari Winstead

ATTEST:

APPROVED AS TO FORM:


Jessica Simulcik Smith
City Clerk


Margaret King
City Attorney

Date of Publication: January 8, 2015

Effective Date: January 13, 2015