

BOARD OF ALDERMEN

ITEM NO. C(4)

AGENDA ITEM ABSTRACT

MEETING DATE: April 7, 2009

TITLE: Request to Adopt an Ordinance Amending Chapter 8 (Trades and Businesses) of the Town Code

DEPARTMENT: Management Services Police Department	PUBLIC HEARING: YES ___ NO <u>x</u>
ATTACHMENTS: A. Ordinance Amending Chapter 8 of the Town Code B. Revised Chapter 8 of the Town Code (with changes noted) C. Revision to Miscellaneous Fees & Charges Schedule	FOR INFORMATION CONTACT: Bing Roenigk, Management Services Carolyn Hutchison, Police Department Paul Atherton, Police Department Anita Jones-McNair, Recreation & Parks Dept.

PURPOSE:

An ordinance amending Chapter 8 of the Town Code to clarify procedures regarding privilege license, commercial solicitation, and taxicab administration and collections has been prepared and is recommended for the Board’s adoption.

INFORMATION:

Section 8 of the Town Code is in need of revision to update and clarify various administrative procedural practices regarding privilege licenses. The Town Code for commercial solicitations and taxicab regulations are also amended.

The sections of the Town Code that prescribe the administrative procedures around privilege license billing and collections are being revised to address various issues that have arisen in administering privilege licenses. One key change in the code allows for any business whose sole business activity within Carrboro’s corporate limits is the sale or provision of goods or services at events conducted on Town-owned property, shall be exempt from privilege license fees. However, if the business performs other business within Carrboro’s corporate limits, it shall be subject to any applicable fees. Another key change clarifies and addresses various billing and collection issues – definition of gross receipts; late payments on privilege licenses; and delinquencies.

The Town Code for commercial solicitation is amended to clarify that the Police Chief (or designee) is the administrator responsible for issuing permits to Door-to-Door Salesmen, Itinerant Merchants and Peddlers (those who are exempt from obtaining privilege licenses). The revised ordinance also establishes an appeals process for permit revocations and conforms to State Bureau of Investigation standards for conducting criminal background checks. *(Note: the Police Department will not seek to detain or otherwise interfere with any person whose background check reveals a civil immigration violation. Immigration issues will be irrelevant to permitting procedures.)*

The Taxicab ordinance is revised to clarify that only taxi companies having permanent facilities within Town limits would be required to comply with the Town’s privilege license and operator permit standards. This

amendment relieves the Town from the cost/time-prohibitive task of regulating all companies picking up or dropping off fares within Town limits.

The Fee Schedule is also revised to clarify the definition of gross receipts and reconfigures the fee schedule to acknowledge fees that are fixed by state statute. The previous fee schedule called the fees "Schedule B" fees. "Schedule B" fees refer to specific state statutes that were repealed for state purposes several years ago, but the local privilege license tax is "capped" at the amount established by those repealed statutes.

The Town also charges fees from other state statutes that are not part of "Schedule B."

In addition some fees are eliminated and some new fees are proposed. Some fees are new to the fee schedule because staff decided to list all Schedule B fees in case such businesses were to exist in the future. In another case, the mobile vendor fee, while similar to a peddler with wheels (\$25 fixed state fee), reflects the updated use of vehicles to serve goods and mirrors the fee for a peddler with wheels. Some of the fees are added because they are fees set in the state statute or state statute allows gross receipts to be charged.

Regarding the Commercial Solicitation process, the Police Department proposes a \$5.00 permit application fee and a \$2.00 renewal fee to offset costs associated with processing the application and printing the permit in a plastic, identification-card format. The Police Department also proposes a \$10.00 deposit for permit cards. This refundable deposit would encourage the return of expired permit cards to the Police Department and reduce the chances of an expired permit card being used fraudulently.

The Recreation Department also proposes adding a fee to enable temporary licensing of various vendors that may be solicited by a patron reserving a room for the Century Center. However, if the vendor does other business in Carrboro (other than at the event on Town property), then the business must pay a privilege license as applicable. An example may be a wedding, where various vendors may assist in the wedding ceremony: caterer; photographer, performer, etc...

Staff proposes eliminating the fee for Massage Parlor because a massage parlor that operates with unlicensed masseuses would technically be subject to gross receipts fees. Masseuses and massage therapists with state licenses are exempt from privilege license fees.

FISCAL AND STAFF IMPACT:

No fiscal impact is anticipated and minimal impact on staffing is expected. With clarity in the Town Code, staff will be able to administer cost-effective procedures in reviewing, billing, and collecting on privilege licenses. The new fees, upon approval, shall become effective beginning the first fiscal year that occurs more than two months after the changes. Thus, in order for Town staff to do its FY09-10 billing, the fees must be approved no later than the end of April 2009.

STAFF RECOMMENDATION:

Staff recommends that the Carrboro Board of Aldermen adopt "An Ordinance Amending Chapter 8 of the Carrboro Town Code for administering privilege license, commercial solicitation, and taxicab processes, billing and collections. Staff also recommends approval of revisions to Miscellaneous Fees and Charges Schedule as noted in Attachment C.