



Memorandum

Date: 2/16/2021
Meeting of: City Council

File No. AM No. 21-026
Type: Consent Item

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Parks	Carrie Hite	425-556-2326
Finance	Kelley Cochran	425-556-2748

DEPARTMENT STAFF:

Parks	Ryan Spencer	Business Operations Administrator
Parks	Denise Shinoda	Customer Service Coordinator

TITLE:

Adoption of an Ordinance Updating Multiple Sections of the Redmond Municipal Code as it Relates to the Business Licensing Program

- a. Ordinance No. 3033: An Ordinance of the City of Redmond, Washington, Amending RMC Sections 5.04.030, 5.04.040, 5.04.045, 5.04.050, 5.04.060, 5.04.070, 5.04.080, 5.04.084, 5.04.085, 5.04.090, 5.04.100, 5.04.130, 5.04.140, 5.05.020, 5.08.020, 5.10.010, 5.12.020, 5.12.030, 5.16.010, 5.20.020, 5.22.020, 5.36.030, 5.52.040, 5.56.020, 5.60.030, 5.68.070, 5.75.030, 5.80.030, and 12.14.030 to Adopt Updates to Align Terminology; Add New Definitions and Language; Update Required Reporting Method; Revise Structure of Penalty for Late Payment; Update List of Master Event and Exempted Special Events for the City of Redmond; Update Language to Accommodate Business Licensing Service Processes; and Update Language to Clarify License Types Administered by the City of Redmond Based on the Partnership Entered with the Washington State Department of Revenue Business Licensing Service for the Administration of the City’s General Business License Program as Required by RCW 35.90, Municipal Business Licensing, Effective March 18, 2021

OVERVIEW STATEMENT:

The City of Redmond has entered into a partnership with the Washington State Department of Revenue for administration of the City’s Business Licensing Program through the State Business Licensing Service (BLS), per Council approval in 2020. Revisions to the Redmond Municipal Code governing the business licensing program have been proposed to align the Code with the program and ensure accuracy, clarity, consistency and ease of interpretation for the business community. We are requesting Council adoption of this ordinance.

Additional Background Information/Description of Proposal Attached

REQUESTED ACTION:

- Receive Information Provide Direction Approve

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
N/A
- **Required:**
RCW 35.90, Municipal Business Licensing
- **Council Request:**
N/A
- **Other Key Facts:**
In preparation for launching this partnership to the business community on March 18, 2021, code revisions are critical to our outreach efforts to provide a seamless transition and clear and consistent policy direction to businesses.

OUTCOMES:

Code revisions that are clear, easy to comprehend, align with Washington State Department of Revenue Business Licensing Service policies and provide little to no gap between City and State terminology will provide an optimal experience for our customers and staff.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
Outreach to the business community is taking place now and further efforts are being initiated in early March.
- **Outreach Methods and Results:**
We are currently educating our business community of the upcoming partnership during transactions and correspondence taking place for the 2021 licensing renewal cycle that is underway January 1 through March 15, 2021. In March information will be provided through City eNews, City website, direct mail and email to our current business licensing database as well as new data we will have available through the Department of Revenue.
- **Feedback Summary:**
During this year’s renewal process multiple businesses have already expressed their excitement and appreciation that the City will be implementing this partnership and change in the application/renewal process.

BUDGET IMPACT:

Total Cost:
N/A

Approved in current biennial budget: Yes No N/A

Budget Offer Number:

000250 - Community and Economic Development (The City Business Licensing Program is budgeted for under this offer, but the partnership and municipal code revisions have no additional costs).

Budget Priority:
Vibrant and Connected

Other budget impacts or additional costs: Yes No N/A

If yes, explain:
N/A

Funding source(s):
N/A

Budget/Funding Constraints:
N/A

Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
8/25/2020	Committee of the Whole - Finance, Administration, and Communications	Provide Direction
9/15/2020	Business Meeting	Approve
1/26/2021	Committee of the Whole - Finance, Administration, and Communications	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:

A city that imposes a general business license requirement must adopt the mandatory provisions required in State law by December 31, 2022, if partnering with the State of Washington. The City is currently working with the Department of Revenue on preparations necessary for the scheduled launch of all new general business applications and renewals being processed through the BLS effective March 18, 2021.

ANTICIPATED RESULT IF NOT APPROVED:

If the proposed Ordinance is not adopted by March 18, 2021 there will be confusion and unnecessary complexity for the business community, as well as for staff to implement and administer the program. Examples of items requiring modifications to ensure clarity and a seamless transition are conflicting and inconsistent terminology, clarity on what license types will be processed through the BLS versus remaining managed by the City, and the appropriate method to be used by businesses for reporting their employee's hours worked in Redmond.

ATTACHMENTS:

Attachment A: Ordinance