



CITY OF OREGON CITY

CITY COMMISSION WORK SESSION

MINUTES

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Wednesday, October 04, 2023 at 6:00 PM

CONVENE WORK SESSION AND ROLL CALL

Mayor McGriff convened the meeting at 6:03 PM.

PRESENT: 4 - Commissioner Adam Marl, Commissioner Frank O'Donnell, Commissioner Rocky Smith, Commissioner Mike Mitchell, Mayor Denyse McGriff

STAFFERS: 4 - City Manager Tony Konkol, City Recorder Jakob Wiley, Economic Development Manager James Graham, Chief of Police Shaun Davis

DISCUSSION ITEMS

1. City Business License Modifications

James Graham, Economic Development Director, offered recommendations for City business license restructuring. The recommended changes included eliminating the current non-refundable \$60.00 application fee for new applicants, reducing the number of employee-based categories from four to three, and offering a fifty percent reduction in the cost of a business license to a vendor reapplying for a second year. It was recommended that the Community Safety Advancement fee remain in effect since it is required by an ordinance funding a Safety Bond.

The recommendations maintained the calendar year licensing period of January to December. It was recommended that a late fee be assessed if license fees are not paid by February 1, at the rate of \$125.00 per month, with a cap of \$500.00.

It was further recommended that in the case of farmer's market vendors, only the primary organizer would be required to pay a business license fee, and that the organizer be required to submit a list of vendors to the Economic Development Department. A similar procedure was recommended for events held in the public right-of-way. It was recommended to offer the option of a two-week temporary business license with a fee of \$50.00 for relevant vendors.

Exemptions for obtaining a business license were recommended for vendors under the direction of an event organizer and for garage sales; nonprofit organizations would need to obtain a business license, but their fee would be waived.

Mr. Graham explained that if these recommendations were approved, some municipal codes would need to be changed. It was recommended that an existing municipal code requiring initial business license application fees be removed altogether.

It was recommended that businesses with no fixed place of business in Oregon City pay an annual fee designated by the business operating under this designation. There was discussion about what types of businesses this rule would apply to, and it was confirmed that businesses such as food carts and small businesses operated from the business owner's home would be examples.

Mayor McGriff suggested considering imposing limitations on the number and frequency of garage sales that an individual could offer. There was discussion about the need to examine the existing codes to ensure that they clearly define what constitutes a garage sale as opposed to a retail business.

Mr. Graham offered the recommendation that if an application is received after January 31, a prorated annual fee be charged based on the remaining months in the calendar year. Furthermore, it was recommended that license fees not paid within the program's renewal period shall be deemed delinquent and a late fee be charged in addition to the regular business license fee, and that the City Manager has the authority to waive this payment.

Commissioner O'Donnell asked how a business is categorized for license fee purposes when they have many employees but only a few employees are operating within Oregon City itself; for example, a national corporation that has a franchise location within the limits of Oregon City. Tony Konkol, City Manager, consulted with Matt Zook, Finance Director, and they confirmed that such a business is charged a license fee according to how many employees are based in Oregon City itself. Such fees would be calculated differently in the case of a business based outside Oregon City that sends employees into the City temporarily for a project.

Commissioner Mitchell asked why it was recommended to change the late fee structure. Mr. Graham explained that under the current policy, in which a business is charged a percentage of their license fee as a late fee, businesses are able to postpone actually paying for a considerable period of time. Under the new structure, late fees would be charged each month and would quickly reach the \$500.00 limit in case of continued delinquency, in which case the City would have the authority to further address the situation with code enforcement.

Mr. Graham offered the further recommendation that if approved, the business license modifications be implemented in the renewal period of calendar year 2025, in order to provide time to educate businesses about the new policies and to integrate them into the Tyler software system.

Mr. Konkol explained that if the recommended City business license modifications were adopted, it would result in a City revenue reduction of roughly \$75,000.00 per year.

Commissioner O'Donnell asked whether code enforcement procedures would apply if a business continued to operate in Oregon City without obtaining a license, and Mr. Konkol responded that they would apply.

Commissioner Mitchell asked for clarification regarding the reference to "original" fee structures on page three of the Staff Report. Mr. Konkol clarified that the term referred to the first three employee ranges listed.

Mayor McGriff asked whether a business appearing temporarily and informally in Oregon City would be a matter for code enforcement and Mr. Konkol clarified that it would be.

There was consensus that Staff should begin implementing the new business license fee schedule this year and process licenses in the traditional paper manner until the Taylor software system is prepared, at which point that electronic system will be used. Furthermore, there was consensus that Staff identify the ordinances that need to be changed in order to implement the new fee schedule.

Mayor McGriff asked Police Chief Shaun Davis if he had an update on the success of the new weekend service offered by the Code Compliance department. Police Chief Davis reported that the public is now able to submit code complaints through an app or online and that the complaints are sent immediately to code compliance officers. He reported that that system has been very successful thus far. He also said that a quarterly report would be offered in one or two months.

Commissioner Marl asked if the City would still accept Metro business licenses under the new license structure and Mr. Konkol confirmed it they would. Mayor McGriff asked whether this policy was clearly

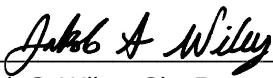
stated in the Oregon City business codes and Mr. Konkol offered to research this point and report back.

Commissioner Mitchell asked whether the Commissioners would be interested in revisiting construction hour policies and there was consensus that this topic be added as a future discussion item.

ADJOURNMENT

Mayor McGriff adjourned the meeting at 6:45 P.M.

Respectfully submitted,



Jakob S. Wiley, City Recorder