

RESOLUTION NO. 94-06

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHMOND, CALIFORNIA, CALLING AND PROVIDING FOR A SPECIAL MUNICIPAL ELECTION UPON AN ORDINANCE SUBMITTED BY SAID CITY COUNCIL AMENDING CHAPTER 7.04 OF THE RICHMOND MUNICIPAL CODE TO ENACT THE BUSINESS LICENSE ACT, TO BE HELD ON NOVEMBER 7, 2006.

WHEREAS, the City Council (the "Council") of the City of Richmond (the "City"), within the County of Contra Costa, California (the "County"), is authorized to levy and increase business license taxes, if the ordinance proposing that tax is approved by a majority vote of the qualified voters of the City voting in an election on the issue; and

WHEREAS, a form of ordinance (the "Ordinance") is attached hereto and incorporated herein which amends and restates Chapter 7.04 of the Richmond Municipal Code relating to business licenses; and

WHEREAS, the Council deems it necessary and advisable to submit the Ordinance to the qualified voters of the City to be approved by a majority of the votes cast; and

WHEREAS, on November 7, 2006, a regularly scheduled statewide election is scheduled to be conducted throughout the City; and

WHEREAS, Section 2.16.070 of the Municipal Code of the City requires that an impartial analysis of the measure covering its financial impact upon City government be printed preceding the arguments for and against the measure in official materials relating to the election; and

WHEREAS, the Council now desires to authorize the filing of a ballot argument in favor of the measure to be submitted to the voters at the election;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richmond, as follows:

Section 1. The foregoing recitals are true and correct, and this City Council so finds and determines.

Section 2. A special municipal election (the "Initiative Election") is hereby called and consolidated with the statewide election to be held in the City Tuesday, November 7, 2006, on the following initiative measure submitted by the City Council:

"Shall the Richmond Business License Act be adopted effective January 1, 2007, which will levy a new tax on manufacturing, including oil refining, equal to 1/8% of the value of the raw materials used in the manufacturing process per year, increase most other categories of business taxes by 10% with certain other adjustments, and annually tax landlords at up to \$90 per unit for residential property and three cents per square foot for non-residential property?"

Section 3. The City Clerk of the City of Richmond is hereby ordered and directed to cause said proposed initiative measure to be printed and to mail a copy of said initiative measure to all registered voters in the City of Richmond with their sample ballots in substantially the form set forth in Exhibit A, attached hereto.

Section 4. (a) The City hereby requests the Board of Supervisors of the County of Contra Costa, State of California (the "County") to consolidate the Initiative Election with the statewide election being conducted on the same date in the same territory or any territory which is in part the same. Pending approval of such request, the Initiative Election will be consolidated with any election held by the County. In any event, the Initiative Election will be held on November 7, 2006, from the hour of 7:00 a.m. to the hour of 8:00 p.m., during which period of time the polls will remain continuously open. At 8:00 p.m. the polls will be closed, except as provided in Section 14401 of the Elections Code, and the officers of the Election shall thereupon proceed to canvass the ballots cast thereat.

(b) The election precincts, polling places and voting booths within said City for said Initiative Election shall in every case be the same .as the election precincts, polling places and voting booths established for the statewide election and the election officers for said Initiative Election shall be the same as those selected and designated or to be selected and designated for the statewide election.

(c) Said Initiative Election shall be held and conducted, and the voters thereof canvassed, and the returns thereof made, all in accordance with the general election laws of the State of California and the Charter and ordinances of said City.

(c) All persons qualified to vote at municipal elections in said City shall be qualified to vote.

(d) Said Council shall meet forthwith after the canvass of the returns of said Initiative Election and shall state in the minutes of such meeting the results of said Initiative Election as ascertained by said canvass.

Section 5. The City Clerk of the City of Richmond is hereby authorized to sign a Notice of Election and Notice of Measure To Be Voted On in substantially the following form:

NOTICE OF ELECTION AND

NOTICE OF MEASURE TO BE VOTED ON

NOTICE IS HEREBY GIVEN that the following measure is to be voted on at the special municipal election (the "Initiative Election") to be held in the City of Richmond, on Tuesday, the 7th day of November 2006:

"Shall the Richmond Business License Act be adopted effective December 1, 2006, which will levy a new tax on manufacturing, including oil refining, equal to 1/8% of the value of the raw materials used in the manufacturing process per year, increase most other categories of business taxes by 10% with certain other adjustments, and annually tax landlords at up to \$90 per unit for residential property and three cents per square foot for non-residential property?"

Said Initiative Election has been consolidated with the statewide election to be held in the City of Richmond on November 7, 2006. The election precincts within the City of Richmond for said Initiative Election shall be the regular election precincts established for said statewide election, and the polling places and officers of the Initiative Election within the City of Richmond for said Initiative Election shall be the same as those selected and designated or to be selected and designated for said statewide election.

The polls will be opened between the hours of 7:00 a.m. and 8:00 p.m.

BY ORDER OF THE CITY COUNCIL OF THE CITY OF RICHMOND,

Dated: July __, 2006.

/s/ Diane Holmes
Clerk of the City of Richmond
(SEAL)

The Clerk of the City is hereby authorized and directed to publish said Notice of Election and Notice of Measure To Be Voted On at least one time not later than a week before the election in the WEST COUNTY TIMES, a newspaper of general circulation circulated within the City of Richmond, in accordance with the provisions of Section 12111 of the Elections Code of the State of California.

Section 6. The Clerk of the City is hereby authorized and directed to cause to be delivered, no later than August 11, 2006 (which date is not fewer than 88 days prior to the date set for the statewide election), one copy of this Resolution to the Registrar of Voters of the County.

Section 7. The Finance Director of the City is hereby authorized and directed to prepare and file with the Registrar of Voters an impartial analysis of the measure contained in Section 2 hereof covering its financial impact upon the City government in accordance with Section 2.16.070 of the Municipal Code of the City, within the time established by the Registrar of Voters.

Section 8. The Mayor, or any member or members of this Council as the Mayor shall designate, is hereby authorized, but not directed, to prepare and file with the Registrar of Voters a ballot argument in favor of the measure contained in Section 2 hereof, within the time established by the Registrar of Voters, which shall be considered the official ballot argument of this Council as sponsor of the measure.

Section 7. This resolution shall take effect immediately upon its adoption.

I hereby certify that the foregoing resolution of the City Council of the City of Richmond, California was duly passed and adopted and at a meeting thereof held on July 25, 2006, by the following vote:

AYES: Councilmembers Bates, Butt, Marquez, McLaughlin,
Thurmond, and Viramontes

NOES: Councilmembers Griffin, Rogers, and Mayor Anderson

ABSTENTIONS: None

ABSENT: None

DIANE HOLMES
Clerk of the City of Richmond
(SEAL)

Approved:

IRMA L. ANDERSON
Mayor

Approved as to form:

JOHN EASTMAN
City Attorney

State of California }
County of Contra Costa : ss.
City of Richmond }

I certify that the foregoing is a true copy of Resolution No. 94-06 N.S.,
was finally passed and adopted by Council of the City of Richmond at a Special
Meeting held on July 25, 2006

EXHIBIT A

ORDINANCE NO. ___-06 N.S.

PROPOSED MEASURE

ORDINANCE OF THE CITY OF RICHMOND
ENACTING THE RICHMOND BUSINESS LICENSE ACT

The People of the City of Richmond, California, do ordain as follows:

Section 1. Chapter 7.04 of the Richmond Municipal Code is hereby amended and restated to read as follows:

Chapter 7.04 BUSINESS LICENSE ACT

7.04.010 Purpose.

This chapter shall be known as the "Richmond Business License Act." This chapter is enacted solely to raise revenue for municipal purposes and is not intended for the purpose of regulation. The license fees payable hereunder are general taxes within the meaning of Article XIIC of the California Constitution. This chapter shall apply to all persons engaged in business in the City of Richmond.

7.04.015 Business License Required; Replacement of Existing Licenses.

(a) All persons conducting any business in the City of Richmond shall be required to obtain a business license and pay the applicable fee pursuant to this chapter. Each business license shall be for the period commencing on January 1 and ending on December 31 of each year, unless otherwise provided herein. Unless a period of shorter than one year for the license fee is specified in this chapter, each license shall be for a period of one calendar year. The license fee shall not be prorated for any period shorter than the period specified in the applicable section of this chapter for payment of the fee.

(b) Any person holding an existing business license issued pursuant to this chapter prior to December 31, 2006 shall be required to obtain a renewed license effective January 1, 2007 for calendar year 2007. A credit toward the 2007 license fee payable hereunder shall be given equal to the product of (i) the license fee paid for the existing license times (ii) a fraction, the numerator of which is the number of months remaining from January 1, 2007 to the expiration date of the existing license (with a full month's credit given for any fraction of a month) and the denominator of which is 12. Any business license issued prior to December 31, 2006 shall expire on such date and shall be superseded by the new license issued pursuant to this chapter.

7.04.017 New Businesses.

For any person who establishes a new business in the City of Richmond and which has not operated any business in the City of Richmond in the preceding five years, the fees under this chapter shall be waived (i) if the date of establishment of such business is after June 30 of any year, for the period commencing on the date of establishment of such business and ending on the December 31 which is at least 12 months after the date of establishment of the business, or (ii) if the date of establishment of such business is prior to July 1 of any year, for the period commencing on the date of establishment of such business and ending on the next December 31. Thereafter, such business shall be required to pay the fees specified in this chapter.

7.04.020 Definitions.

In this chapter the singular number includes the plural and the plural the singular, and the masculine gender includes the other genders. The word “shall” is mandatory, “may” is permissive.

“Arcade” means a general room or enclosure in which is conducted a business of operating or exhibiting any phonograph, graphophone talking machine, music machine, kinoscope, biograph, projectoscope, or any other instrument or machine of like character, or exhibiting, showing, or letting the use of any game of skill, microscope, lungtester, muscle-tester, galvanic battery, weighing machine, fortune telling machine, or machine of similar character.

“Armed Forces of the United States” as used in this chapter means the Army, Navy, Air Force, Marine Corps, Coast Guard and Revenue Marine (Revenue Cutter) Service of the United States.

“Carnival” means any commercialized merrymaking, whether upon a public street or otherwise, wherein there is any performance or exhibition of any kind or character, or concession or group of concessions, or tests of skill, or merry-go-round or ferris wheel or animals or clowns or side shows of any kind.

“Circus” means any exhibition in which seats for spectators are arranged in tiers, and in which are shown feats of horsemanship, balancing, tumbling, vaulting, where clowns and singers and acrobats and wild animals and performers and actors entertain the audience.

"Direct relative" means a spouse, parent, parent-in-law, grandparent, grandparent-in-law, brother, brother-in-law, sister, sister-in-law, son-in-law, daughter-in-law, child, or grandchild.

“Disabled war veteran” means a war veteran who is disabled ten percent or more which disability was incurred in connection with his service in the armed forces of the United States during time of war or while participating in a campaign or expedition.

“Employed” means engaged or employed as an employee in a business which is subject to regulation under this chapter.

“Employee” means all persons engaged in the operation or conduct of any business, whether as owner, any member of owner’s family, partner, associate, agent, manager, or solicitor, and any and all other persons engaged or employed in said business.

“Engaged in business” means the conducting, managing or carrying on of any business herein specified by any person as owner, officer, agent, manager, employee, servant, or lessee.

“Evidence of doing business” means and includes whenever any person, by use of signs, circulars, cards or any other advertising media, holds oneself out as, or represents that person as doing business in the city.

“Itinerant show” means any temporary or transient show or theatrical performance, such as is usually given in theaters, and which is conducted in any structure or tent hired, leased, or erected for such purpose.

"Leasable square footage" means, with respect to non-residential property leased or available for lease, (i) if such property is a building, the "building rentable area" (with respect to an entire building) or "floor rentable area" (with respect to a portion of a building) as defined in standard ANSI/BOMA Z-65.1-1996, as amended from time to time, published by the American National Standards Institute, or if such standard is not longer published, by any comparable standard selected by the Tax Collector. With respect to any property subject to a ground lease, leasable square footage means the total gross square footage of the property

leased or available for lease, less any amount of the property which is not or would not be usable by the tenant due to easements, access roads, open space or buffer requirements, set-backs or similar restrictions.

"Manufacturing" means the activity of converting or conditioning tangible personal property by changing the form, composition, or quality of character of some existing material or materials, including natural resources, by procedures commonly regarded by the average person as manufacturing, compounding, processing or assembling, into a material or materials with a different form or use. Manufacturing includes any process of refining or processing hydrocarbons, petroleum or crude oil to produce products for use as fuels, lubricants, solvents, plastics, or other intermediate or final products.

"Materials used in manufacturing" means any and all materials used by a business engaged in manufacturing any part of which becomes a part of a product produced by the manufacturing business. With respect to any business which refines, distills, or otherwise manufactures any product using hydrocarbons, petroleum or crude oil of any type, materials used in manufacturing includes all of such materials used in such manufacturing process. For any taxable period, materials used in manufacturing does not include any materials acquired, stored or transported which are not actually subjected to the manufacturing process during the taxable period.

"Non-residential property" means any property which is not residential property.

"Offered to the public" means, with respect to rental property, any activity the purpose of which is to solicit prospective tenants, including advertising in any public media or by way of signage or listing with any real estate agent or leasing agent or on any listing service.

"Peddler" or "solicitor" means any person going from door to door or doing business at any place other than in a permanent store building, selling, taking orders for or soliciting orders for goods, wares, or merchandise.

"Person" means any domestic or foreign corporations, limited liability companies, associations, syndicates, joint stock companies, firms, partnerships of every kind, trusts, societies, and individuals.

"Professional carnival operator" means any person whose business is the operation, management or carrying on of a carnival or of performances, exhibitions, concessions, rides or other apparatus designed for or employed in the conduct of a carnival.

"Residential property" means any property used as a dwelling for human habitation, including, without limitation, an apartment unit, duplex, multi-plex, single family house, townhome, or condominium, and any lot rented for use by a resident in a mobile home park. Residential property does not include any unit which is subject to tax pursuant to Chapter 7.88.

"Rodeo" means any exhibition or contest of skill in riding, racing, roping, throwing, or otherwise controlling broken or unbroken horses or cattle for the entertainment of spectators.

"Sworn statement" means a written statement sworn to before the Tax Collector or any officer authorized by law to administer oaths.

"Tax Collector" means the Director of Finance of the City.

"Value" means, with respect to materials used in manufacturing, the actual cost or fair market value, whichever is greater, of all of the materials used in manufacturing. With respect to any materials used in manufacturing for which there is a published spot price in the financial markets, "value" shall be deemed to

be equal to such published spot price for purposes of this chapter unless substantial evidence is presented to the Tax Collector that the actual fair market value of the materials is lower. Notwithstanding the foregoing, for purposes of calculating the license fee for any manufacturing process involving crude oil, the value of such crude oil shall be deemed to be equal to the product of (i) the total amount of crude oil used during the period of calculation for the business license, times (ii) the average daily spot price of New York Mercantile Exchange Inc. Light Sweet Crude Oil (trading symbol CL), or, if such index is no longer published, such other index as is determined to be comparable by the Tax Collector, for such period.

“War veteran” as used in this chapter means any person who has served in the armed forces of the United States during time of war or in a campaign or expedition in time of peace for which a medal has been issued by the Congress of the United States and who has received an honorable discharge or release from such service.

“War” and “campaign” as used in this chapter mean those wars and campaigns referred to in Section 205 of the Revenue Code of the state and in any amendment or revision of said section hereafter enacted.

Words and phrases not specifically defined in this chapter shall be construed according to the context and approved usage of the language.

7.04.023 Adjustment of Rates. Section 13.45 of the Richmond Municipal Code shall not apply to this chapter. Every amount or rate of license fee provided in this chapter expressed in dollars and cents shall be adjusted each January 1, commencing January 1, 2008, in accordance with the average change in the prior year of the Consumer Price Index for the San Francisco – Oakland – San Jose Metropolitan Statistical Area, Non-Seasonally Adjusted (U.S. Bureau of Labor Statistics Series ID CUURA422SA0, CUUSA422SA0) or, if such index is no longer published, such other comparable index as selected by the Tax Collector. License taxes provided for in this chapter expressed as a percentage or rate multiplied by gross receipts or value shall not be adjusted as provided in this section.

7.04.025 Manufacturers.

Every person engaged in manufacturing shall pay annually an annual license fee of the greater of : (i) the license fee which would apply to such person if such person were subject to the provisions of Section 7.04.030 or (ii) a fee equal to one eighth of one percent (0.125%) of the value of the materials used in the manufacturing process during the calendar year immediately preceding the year for which the fee is paid.

7.04.027 Rental Property.

Every person who rents or leases or offers for rent or lease real property within the City of Richmond shall pay an annual license fee equal to the following:

(a) for residential property, the fee shall be equal to \$90 per unit for the first 25 units, \$75 per unit for the next 35 units and \$55 per unit for all units over 60 units.

For purposes of this section, all units owned by the same licensee shall be aggregated, regardless of location.

(b) for non-residential property, the fee shall be equal to the product of three cents (\$0.03) times the leasable square footage of the property.

No annual fee shall be payable with respect to any property or portion of property rented or leased by a person to (i) another person who is a direct relative of the landlord or (ii) a business entity wholly owned or controlled by the landlord if such business entity is otherwise subject to tax under this chapter.

No annual fee shall be payable with respect to property which is vacant and is not offered to the public for rent or lease during any portion of the year for which the fee would otherwise be payable.

7.04.030 Wholesalers, retailers, persons providing services and persons conducting other business.

Every person engaged in the wholesaling or retailing business or providing any service to the public or engaging in or conducting any other business not elsewhere in this chapter specifically mentioned shall pay annually a license fee of two hundred eighty two dollars and seventy cents (\$282.70) plus an additional sum of money equal to fifty-six dollars and sixty-five cents (\$56.65) per employee for the first twenty-five employees and forty-eight and forty cents (\$48.40) per employee in excess of twenty-five employees. For the purpose of calculating the total license fee payable under this section, the number of employees shall be the average number of employees employed or to be employed in the city as shown by the applicant's sworn statement required under Section 7.04.300 of this chapter reduced by one; provided, that, where the business is owned jointly by a husband and wife or where the husband or wife of the owner of the business is engaged or employed in the business, such average number of employees shall be reduced by two, and further reduced by one for each person engaged or employed in the business who is the child of the husband and wife.

7.04.031 Contractors licensed by state.

Every contractor or other person who, pursuant to Chapter 9 (commencing with Section 7000) of Division III of the Business and Professions Code, is licensed by or engages in a business regulated by the Contractors' State License Board of the Department of Professional and Vocational Standards of the state shall, at the time he applies for a license under this chapter or for a renewal thereof, file or have on file with the tax collector a signed statement that he is licensed under the provisions of Chapter 9 and stating that the license is in full force and effect, or, if he is exempt from the provisions of Chapter 9, he shall furnish proof of the facts which entitle him to such exemption.

7.04.032 Child care homes.

Every person regularly providing care, protection or supervision to more than six children, in the person's own home for periods of less than twenty-four hours per day shall pay an annual license fee of sixteen dollars and seventy cents (\$16.70) dollars plus an additional sum of six dollars and sixty-five cents (\$6.65) for each child cared for in the home.

7.04.040 Motion pictures.

Every person conducting, managing or carrying on the business of exhibiting motion pictures, either in a building or an open airdrome, shall pay an annual license fee based on the annual gross receipts of such business as follows: one hundred dollars and thirty cents (\$100.30) for twenty thousand dollars or less of gross receipts, and three dollars for each additional one thousand dollars or fractional part thereof of gross receipts over twenty thousand dollars.

7.04.050 Itinerant shows, circuses, carnivals, rodeos and hawkers.

(a) General. Every person conducting any itinerant show, circus, carnival, rodeo, or in the business of hawking, shall pay a license fee in advance at the following rates: itinerant show, ninety-one dollars and ninety-six cents (\$91.96) per day; carnival when conducted by a professional carnival operator, or circus, nine hundred nineteen dollars and seventy seven cents (\$919.77) per day; rodeo, five hundred fifty-one dollars and eighty-seven cents (\$551.87) per day; hawker, ninety-one dollars and ninety-six cents (\$91.96) per day, payable in advance

where the article sold is not a patent or other medicine, and when the article is a patent or other medicine, the license fee shall be one hundred eighty-three dollars and ninety-two cents (\$183.92), payable in advance.

(b) **Reduced Fee for Carnivals.** Upon written application, the City Council may reduce the license fee for a carnival which is conducted in its entirety or in any part of a professional carnival operator, if it is sponsored by a religious, charitable, fraternal or educational organization or association, or a student body group for purposes of raising funds for such organization, association, or group, and if the proceeds received by the sponsoring organization, association or group are used entirely for the purposes and objects for which such organization, association or group was formed. The application for a reduced license fee shall be accompanied by the agreement or contract between the professional carnival operator and the sponsoring organization, association or group showing the agreement of the parties thereto regarding division of the proceeds to be derived from the operation of the carnival. The City Council may consider the agreement between the parties, respecting the division of such proceeds in determining whether, and to what extent, the license fee for the carnival may be reduced.

(c) **Waiver of Fee.** Upon written application, the City Council may waive the license fee for a carnival or similar activity or event which is sponsored or conducted by a religious, charitable, fraternal or educational organization or association, or by a student body group if the organization, association, or group does not employ the services of a professional carnival operator to conduct the carnival or similar activity.

7.04.051 Vendors of racing forms.

Every person engaged in the business of vendor of racing forms shall pay a license fee, in advance, to the City of Richmond at the following rate: Seven hundred thirty-five dollars and eighty-five cents (\$735.85) for ninety days. Every person engaged in the business of vendor of racing forms shall pay a racing forms application fee of nine dollars and eighteen cents (\$9.18).

7.04.060 Arcade and shooting gallery.

Every person engaged in the business of operating an arcade or shooting gallery shall pay an annual license fee at the following rate: arcade, two hundred twenty dollars and seventy-one cents (\$220.71) per year; shooting gallery, one hundred forty-six dollars and sixty-nine cents (\$146.69) per year.

7.04.065 Mechanical or electronic amusement device.

Every person who owns or operates a business containing any mechanical or electronic amusement device shall pay an annual fee for the permit of sixty-one dollars and sixty-six cents (\$61.66) for each device operated within the business.

7.04.070 Auctioneers and auctions.

For each separate auction to be conducted within the City of Richmond an application fee of one hundred eighty-three dollars and ninety-two cents (\$183.92) shall be paid. Every person conducting an auction within the City of Richmond shall pay an auctioneer license fee of ninety-one dollars and ninety-six cents (\$91.96) per day, provided that no license shall be required under the provisions of this section for the sale of merchandise salvaged from any fire, wreck or other calamity occurring in the City of Richmond, where said auction is conducted by the person who held the license to conduct the business before the fire, wreck or other calamity occurred.

7.04.080 Billiard or pool rooms and bowling alleys.

Every person engaged in the business of operating any public billiard or pool room shall pay an annual license fee of fifty-five dollars and seventeen cents (\$55.17) per table. Every person engaged in the business of operating a bowling alley shall pay an annual license fee based on the annual gross receipts of such business as follows: one hundred dollars and thirty cents (\$100.30) for twenty thousand dollars or less of gross receipts, and five dollars (\$5.00) for each one

thousand dollars or fraction thereof, by which such gross receipts exceed the sum of twenty thousand dollars.

7.04.090 Mechanical musical instruments.

Every person engaged in the business of maintaining in places of business or elsewhere in the City of Richmond mechanical musical instruments, which are operated by coins, shall pay an annual license fee of sixty-six dollars and twenty-two cents (\$66.22) for each such instrument.

7.04.092 Weight scales.

Every person maintaining, operating, offering for operation or letting the use of any coin operated weight scale within the City of Richmond shall pay an annual license fee of three dollars and sixty-three cents (\$3.63) for each such scale.

7.04.100 Peddlers and solicitors.

Every person engaged in the business of peddler or solicitor shall pay a license fee of one hundred ten dollars and thirty-three cents (\$110.33) semiannually or two hundred twenty dollars and sixty-six cents (\$220.66) annually, provided that no license fee shall be required for any person peddling, soliciting or selling fruit, vegetables, or other farm products raised or produced by himself or any manufactured products manufactured by himself.

7.04.105 Police permits for peddlers and solicitors.

Each person engaged in the business of peddler and solicitor in the City of Richmond shall pay an application fee of twelve dollars and thirty-two cents (\$12.32) upon the filing of the application. Upon expiration of the application each such person shall pay a renewal fee of six dollars and sixteen cents (\$6.16).

7.04.110 Photographs, enlargements, frames, coupons, and orders for taking photographs only.

Every person engaged in the business of canvassing for or soliciting orders for the sale of enlarging of photographs or other pictures, or picture frames to be sold or given away with enlarged pictures, or selling tickets, coupons, or other devices in return for which such pictures or frame may be had, shall pay a license fee of eighteen dollars and thirty-seven cents (\$18.37) per day, payable in advance.

Every person engaged in the business of canvassing for or soliciting orders for the taking of photographs only shall pay a license fee of fifty-five dollars and seventeen cents (\$55.17) semiannually.

7.04.120 Taxicabs.

Every person engaged in the business of operating vehicles for hire or taxicabs shall pay a license fee of ninety-one dollars and ninety-six cents (\$91.96) per vehicle per year.

7.04.125 Hazardous waste facilities.

(a) Imposition. Pursuant to California Health and Safety Code Section 25173.5, there is hereby imposed a license fee on every off-site, multi-user hazardous waste facility located within the City of Richmond.

(b) Amount. The license fee authorized pursuant to this section shall not exceed ten percent of the hazardous waste facility's annual gross receipts for the treatment, storage, or disposal of hazardous waste at the facility.

(c) Payment. The owner of any hazardous waste facility subject to the license fee authorized by this section shall make quarterly payments. The payments shall be due and payable ninety days after the end of each quarter of the fiscal year of the facility. Payments shall be made to the Tax Collector of the City of Richmond.

(d) Accounting. The owner of any hazardous waste facility subject to the license fee authorized by this section shall provide the Tax Collector with a quarterly financial report which supports the license fee paid. The owner of any hazardous waste facility subject to the license fee authorized by this section shall also provide the Tax Collector with the facility's annual audited financial statement.

7.04.130 Amusements.

(a) Every person engaged in the business of conducting a boxing or wrestling exhibition, or a skating rink, or a public dance hall, or a sporting event or commercial show or production of any other commercial entertainment, where a charge for admission is made, collected or received, either directly or indirectly, shall pay a license fee which shall be ascertained by multiplying the number of tickets sold or admissions charged by one dollar (\$1.00).

(b) Waiver of Fee. Upon written application, the City Council may waive the license fee for such activities conducted by a religious, charitable, fraternal or educational organization or association, or community theatre which is a not-for-profit organization or by a student body group.

7.04.135 Oil drilling and production.

Every person engaged in the business of drilling or exploring for, or in the production of, oil, gas or hydrocarbon substances from wells shall pay license fees in accordance with the following schedules:

(1) Ninety-one dollars and ninety-six cents (\$91.96) per day for each day of actual drilling or other work upon each well until the well is placed in production;

(2) Seven hundred thirty-five dollars and eighty-five cents (\$735.85) for each well during the first year that it is in production and one hundred forty-seven dollars and thirteen cents (\$147.13) during each year thereafter that the well is in production;

(3) In addition to the fee specified in subsection (2), the sum of seventeen cents (\$0.17) per barrel of oil produced from each well, such sum to be computed and paid monthly within fifteen days after the close of each calendar month.

7.04.136 Bicycles and bicycle establishments.

Every person purchasing a bicycle shall pay a fee of three dollars and sixty-eight cents (\$3.68) for the issuance of an initial license; provided that the owner of any new bicycle shall not have to pay the initial license fee if the bicycle is licensed within thirty days of the date of the initial purchase of said bicycle. Upon renewal of the license, the licensee shall pay a fee of one dollar and twenty-one cents (\$1.21) and shall receive a supplemental sticker.

Any bicycle which has not been licensed in violation of the provisions of 7.12.050 shall be subject to a fine of three dollars and sixty-eight cents (\$3.68) which will be in addition to the licensing fee.

Upon loss of the license tab, every person shall pay a fee of one dollar and eighty-one cents (\$1.81).

7.04.140 No license for charitable institutions, etc.

The provisions of this chapter shall not be deemed or construed to require the payment of a license to conduct, manage or carry on any business, occupation or activity or require the payment of any license from any institution or organization which is conducted, managed or carried on wholly for the benefit of charitable purposes or religious purposes or from which profit is not derived either directly or indirectly by any person.

No license fee shall be required for the conducting of any entertainment, dance, concert, exhibit, lecture or other activity by any religious, charitable, fraternal, educational, student body, military, state, county or municipal organization or association, whenever the receipts of any such entertainment, dance, concert, exhibition, lecture or other activity are to be appropriated for the purposes and objects for which said association or organization was formed and from which profit is not derived either directly or indirectly by any person.

This exemption shall not apply to any institution or organization which prohibits membership therein on grounds of race, color, or national origin.

7.04.150 Veterans exemption.

The tax collector, without payment to the City of any consideration, shall issue to any war veteran as defined in Section 7.04.020 hereof any license provided for in this chapter subject to the following conditions:

- (1) The person seeking such gratuitous license must make application to the tax collector giving proof of his identity, residence, service in the Armed Forces of the United States during the time of war or in a campaign, honorable discharge or release from such service and interest in the business subject to such license fee;
- (2) That such person, if over the age of twenty-one years, is a registered voter in the city of Richmond, or, if under the age of twenty-one years, is a bona fide resident of the city of Richmond;
- (3) That the amount of the exemption allowed any one person within any period of twelve consecutive months shall not exceed twenty-five dollars, and if such person has only a partial interest or ownership in a business subject to such license fee, then the exemption shall not exceed that portion of the license fee which is proportionate to his interest;
- (4) That no more than three annual exemptions of business license fees, whether or not the same are in consecutive years, shall be allowed to any one person; provided that this section shall not apply to those applicants who fall within the provisions of Section 16001 of the Business and Professions Code of the state of California.

7.04.152 Gratuitous licenses to indigents, etc.

The tax collector, without payment to the city of any consideration, shall issue to any disabled war veteran or to any indigent person or to any person who by reason of the infirmities of age, loss of limb or other disabling cause is unable to obtain a livelihood by manual labor, or to minors under the age of eighteen years, any license provided for in this chapter, provided that such applicant is a voter of the city if over the age of twenty-one years, or, if under the age of twenty-one years, a resident of the city, and further provided that such applicant does not fall within the provisions of Section 16001 of the Business and Professions Code of the state of California. Application shall be made to the tax collector for the gratuitous permit stating the facts relied upon by the applicant. If requested by the tax collector, written proof of any such facts shall be submitted by the applicant, including a medical doctor's certificate of disability, inability to perform manual labor, infirmity resulting from age, loss of limb or other cause of disability. This section does not apply to any applicant who employs one or more persons in the business for which the gratuitous license is sought.

7.04.160 Exemptions.

The provisions of this chapter shall not apply to the following individuals, businesses and organizations:

- (1) Minors under the age of eighteen (18) years;
- (2) Businesses owned and conducted by minors under the age of eighteen (18) years when legal documentation is provided to support that:
 - (A) All persons engaged in the operation of the business are under the age of eighteen years, and
 - (B) All persons engaged in the operation of the business have a bona fide ownership interest in the business;
- (3) Any public utility paying franchise payments to the City;
- (4) Any person paying sums under a contract with the City for the privilege of collecting solid wastes; or

(5) Any person when the sole income generated within the City by the person does not exceed the sum of six hundred dollars for the fiscal year. For the purpose of this section, evidence that the income of the person does not exceed the sum of six hundred dollars for the fiscal year shall be either the previous year's tax return for the person or, if the person is new to the City of Richmond, a signed declaration stating that the person does not anticipate that the income generated within the city will exceed six hundred dollars for the fiscal year.

(6) Any person when the sole income generated within the City of Richmond by the person is the income from a single contract with the City of Richmond when the amount of said contract does not exceed (and never exceeds) the sum of five thousand dollars in any single fiscal year.

7.04.161 Intercity transportation business.

Commencing on July 1, 1971, and continuing during the effectiveness of the Highway Carriers' Uniform License Tax provided for in Chapter 3 (Section 4303 et seq) of Division 2 of the California Public Utilities Code, no business license fees shall be required for the following types of enterprises covered by said Chapter 3: Intercity transportation business of any express corporation, freight forwarder, motor transportation broker, or person, owning or operating motor vehicles in the transportation of property for hire upon the public highways, under the jurisdiction of the Public Utilities Commission.

7.04.170 Licenses, contents of.

All licenses shall be prepared and issued by the tax collector upon the payment of the sum herein required to be paid therefore. Each license so issued shall state upon the face thereof the following:

- (1) The name of the person to whom it is issued.
- (2) The kind of business license.
- (3) The location of such business.
- (4) The date of expiration of such license.

7.04.180 Tax collector not required to send bill.

The tax collector is not required to send a notice or bill to any person subject to the provisions of this chapter, and failure to send such notice or bill shall not affect the validity of and license fee due hereunder.

7.04.190 Posting and keeping licenses.

All licenses must be kept and posted in the following manner:

- (1) Any licensee engaged in business at a fixed place of business in the city shall keep the license posted in a conspicuous place upon the premises where such business is carried on.
- (2) Any licensee engaged in business but not operating at a fixed place of business in the city shall keep the license upon his person at all times while engaged in such business.

7.04.200 Duplicate licenses.

A duplicate license may be issued by the tax collector to replace any license previously issued hereunder, which has been lost or destroyed, upon licensee's filing an affidavit attesting to such fact, and at the time of filing such affidavit, paying to the tax collector a duplicate license fee of forty-five dollars and fifteen cents (\$45.15).

7.04.210 No license transferable--Exception--Amended license for changed location.

No license issued pursuant to this chapter shall be transferable, provided that a license to a person engaged in the business of peddler or solicitor issued pursuant

to Section 7.04.100 of this chapter, the fee of which was paid by the employee of such licensee, may be transferred to another employee of the person having paid said fee in the event of termination of the employment of the original licensee upon application therefore and payment of a transfer fee of thirty six dollar and seventy-five cents (\$36.75) and provided further that when a license pursuant to any provision of this chapter is issued authorizing a person to carry on a business at a particular place, such licensee may, upon application therefore and paying a fee of thirty six dollar and seventy-five cents (\$36.75) have the license amended to authorize the carrying on of such business at some other location within the city of Richmond to which the business is or is to be moved.

7.04.220 Separate license for each place of business or branch.

A separate license must be obtained for each branch establishment or location of the business engaged in and each license shall authorize the licensee to engage only in the business licensed thereby at the location or in the manner designated in such license; provided that warehouses and distributing plants used in connection with and incidental to businesses licensed under this chapter shall not be deemed to be separate places of business or branch establishments.

7.04.230 Two or more businesses at same location.

Whenever any person is engaged in two or more businesses at the same location and under the same management, such person shall not be required to obtain a license for the carrying on of each of such businesses, but shall be issued a joint license, and the sum of the average number of employees of all of such businesses so carried on by him shall be used as the basis for computing the amount of license fee to be paid for the carrying on of all such businesses; provided that when two or more businesses are carried on at the same location under different managements, the person managing each business shall obtain a separate license for his respective business at such location; and provided, further, that if the businesses would be taxed under different sections of this chapter, the license fee shall be the sum of the individual license fees that would be applicable if the businesses were separate.

7.04.240 License fees paid in advance.

Except for monthly license fees payable on or before the tenth day of the succeeding month, all license fees shall be paid in advance. For annual business licenses, license fees are due and payable on or before March 15 of the year for which the license is issued. For all other business licenses, license fees are due and payable on or before the date of issuance.

7.04.250 Unexpired license heretofore issued.

Where a license for any business has been issued by the city of Richmond and fee paid therefore under the provisions of any ordinance heretofore enacted, and term of such license has not expired, then the license fee prescribed for the business by this chapter shall not be payable until the expiration of the term of such unexpired license.

7.04.260 Quarterly licenses.

Any business not otherwise provided for in this Article VII and without a place of business in the city to engage in business activities, may obtain a quarterly (91 days) license for eighty-two dollars and seventy-eight cents (\$82.78) as the basic license fee plus an additional sum based upon the rate of twenty-five percent of the per-employee fees specified in Section 7.04.030.

7.04.270 Refunds due to action of public agency.

The tax collector shall refund a portion of license fees paid by any licensee whose business is terminated by the action of any public agency authorized by law to exercise its right of eminent domain, and who does not relocate within the city of Richmond. Such licensee must first file with the tax collector a written request for such refund. The amount to be refunded in any such case shall be determined by determining the number of days in the license period for which the license fee was paid, treating as earned the number of days of such period which have elapsed up to and including the date of cancellation of such license, and treating as unearned the number of days of such period following said date. The amount to be refunded

shall be in proportion to the total license fee paid as the unearned number of days bears to the total of days in such license period.

7.04.280 No license issued to applicant in arrears.

No license for any ensuing, current or unexpired license period shall knowingly be issued to any person who at the time of making application there for is indebted to the city for any unpaid license fee.

7.04.290 Delinquency.

Any person who fails to file any required statement and pay the amount of the license fee prescribed in this chapter within thirty (30) days after it becomes due shall be deemed delinquent and shall be assessed the following penalty:

- (1) Ten percent of the license fee if the payment is made within one to thirty days after it became delinquent;
- (2) Twenty-five percent of the license fee if the payment is made within thirty-one to sixty days after it became delinquent; and
- (3) Fifty percent of the license fee if the payment is made more than sixty days after it became delinquent. Such penalty shall become part of the license fee then required to be paid under this chapter, and if such delinquency continues thereafter, such person shall be subject to all further penal provisions and remedies contained in this chapter.

7.04.300 Sworn statements.

At the time of applying for a license under this chapter, if applicant has been engaged in a business in the city for one year, he shall file a sworn statement verifying the accuracy of the calculations used in determining the license fee payable hereunder.

7.04.310 Statements not conclusive.

No such statement shall be conclusive as to the matters set forth therein, nor shall the filing of the same preclude the city from collecting by appropriate action such sum as is actually due and payable under this chapter. Such statement and each of the several items therein contained shall be subject to audit and verification by the tax collector, who is authorized to examine, audit, and inspect such books and records of any licensee or applicant for license as may be necessary in his judgment to verify or ascertain the amount of license fee due.

All licensees, applicants for licenses, and persons engaged in business in the city are required to permit an examination of such books and records for the purposes aforesaid. The information or data obtained from such examination or audit, or from any statement required under this chapter shall be used for the purpose of enforcing the provisions of this chapter and for no other purpose.

7.04.320 Rules and regulations for enforcement.

The tax collector is authorized to make such rules and regulations as may be necessary to aid or assist in enforcement of the provisions of this chapter.

7.04.330 Enforcement.

It shall be the duty of the tax collector to enforce each and all of the provisions of this chapter, and the chief of Police shall render such assistance as may from time to time be required by the Tax Collector.

The Tax Collector in the exercise of his duties and acting through his deputies or any duly authorized City employee shall investigate all businesses hereby licensed to ascertain whether or not the provisions of this chapter are being complied with. The Tax Collector and his deputies and any police officer shall have the authority to enter free of charge at any reasonable time any place of business required to have a license hereunder, and to demand exhibition of such license. Any person having any such license in his possession or under his control, who fails to exhibit the same on demand, shall be guilty of a misdemeanor and shall be punishable accordingly.

7.04.340 Additional power of tax collector.

In addition to all other powers conferred upon him, the Tax Collector shall have the power, for good cause shown, to extend the time for filing any required sworn statement for a period not exceeding thirty days, and in such case to waive any penalty that would otherwise have accrued; and shall have the further power, with the consent of the Council, to compromise any claim as to amount of license fee due.

7.04.350 Remedies cumulative.

The conviction and punishment of any person for engaging in any business without obtaining a license so to do shall not relieve such person from paying the license fee due and unpaid at the time of such conviction, nor shall the payment of any license fee prevent a criminal prosecution for the violation of any of the provisions of this chapter. All remedies prescribed herein shall be cumulative and the use of one or more remedies by the City shall not bar the use of any other remedy for the purpose of enforcing the provisions of this chapter.

7.04.360 No under or over payment to be received.

No person charged with the enforcement of any of the provisions of this chapter shall knowingly accept or receive any sum for any license which is less than or greater than the amount actually required to be paid under the provisions of this chapter.

7.04.370 Unlawful business.

No license issued under the provisions of this chapter shall be construed as authorizing the conduct or continuance of any illegal or unlawful business.

7.04.380 Unlawful burden.

Nothing herein shall be construed as requiring a license or the payment of a license fee, or the doing of any act which would constitute an unlawful burden upon or an unlawful interference with interstate or foreign commerce, or which would be in violation of the Constitution or laws of the United States of America or the Constitution or laws of the State of California.

7.04.385 Business License Fee Not A Property Tax.

The payment of any amount under this chapter measure by the value of any tangible or other property is not a tax on such property, but is a tax on the business undertaken by the taxpayer measured by the value of such property actually used in the business.

7.04.390 Regulatory provisions of other chapters remain.

Any person required to pay a license fee for any business under this chapter shall be relieved from the payment of any license fee for the privilege of doing such business which has been required under any other law of the City of Richmond, but shall remain subject to the regulatory provisions of such other law.

7.04.400 Suit for recovery of unpaid sums.

Any sum required to be paid hereunder shall be deemed a debt to the City and any person who engages in any business required to be licensed hereunder without obtaining a license so to do shall be liable to an action by and in the name of the City in any court of competent jurisdiction for recovery of any such sum.

7.04.410 Failure to file statement or corrected statement.

If any person fails to file any required statement within the time prescribed hereby, or if after demand therefore made by the Tax Collector he fails to file a corrected statement, the Tax Collector may determine the amount of license fee due from such person by means of such information as he may be able to obtain. In case such a determination is made the Tax Collector shall give a notice of the amount so assessed by serving it personally or by depositing it in the United States Post Office at Richmond, California, postage prepaid, addressed to the person so assessed at his last known address. Such person may, within ten days after the mailing or serving of such notice, make application in writing to the Tax Collector for a hearing on the amount of the license fee. If such application is not

made within the time prescribed the assessment shall become final If such application is made within the time prescribed, the Tax Collector must cause the matter to be set for hearing within fifteen days before the City Council. The Council shall consider all evidence produced, and written notice of its findings thereon, which findings shall be final, shall be served upon the applicant in the manner prescribed above for service of notice of assessment.

(Source: Ordinance No. 8-03 N.S.)

7.04.420 Review By City Audit Committee.

The Audit Committee appointed by the City Council shall annually review the collection of the taxes levied under this chapter and shall issue a report to the City Council, no later than 120 days after the close of each Fiscal Year, concerning the amount collected during such fiscal year and the impact on the City's ability to provide needed services, facilities and community improvements. Such report may include recommendations for the allocation of funds from future collections, subject to the approval of the City Council.

Section 2. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such a decision shall not affect the validity of the remaining portions of this Ordinance. The People hereby declares that they would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase of this ordinance irrespective of the unconstitutionality or invalidity of any section, subsection, subdivision, paragraph, sentence, clause or phrase.

Section 3. Effective Date. If approved by a majority of the voters of City of Richmond at the November 7, 2006 election, as certified by the City Council, this Ordinance shall become effective on January 1, 2007.

CLERK'S CERTIFICATE

I, Diane Holmes, Clerk of the City of Richmond, do hereby certify as follows:

The foregoing resolution is a full, true and correct copy of a resolution duly adopted at a regular meeting of the City Council of said City duly and regularly held at the regular meeting place thereof on the 25th day of July, 2006, of which meeting all of the members of said City Council had due notice and at which a majority thereof were present; and that at said meeting said resolution was adopted by the following vote:

AYES: Councilmembers Bates, Butt, Marquez, McLaughlin, Thurmond, and Viramontes

NOES: Councilmembers Griffin, Rogers, and Mayor Anderson

ABSENT: None

ABSTAINED: None

An agenda of said meeting was posted at least 72 hours before said meeting at 2600 Barrett Avenue, Richmond, California 94804, a location freely accessible to members of the public, and a brief description of said resolution appeared on said agenda.

I have carefully compared the foregoing with the original minutes of said meeting on file and of record in my office, and the foregoing is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes.

Said resolution has not been amended, modified or rescinded since the date of its adoption and the same is now in full force and effect.

Dated: July 28, 2006.

Clerk of City of Richmond