

CITY OF COOS BAY CITY COUNCIL
Agenda Staff Report

MEETING DATE	AGENDA ITEM NUMBER
June 3, 2014	

TO: Mayor Shoji and City Councilors

FROM: Eric Day, Community Development Department
Rodger Craddock, City Manager *RC*

ISSUE: Transient Vendor Business License Fees

BACKGROUND:

The Council has previously asked staff to look into the transient vendor business license fees with the intention to see if the fee level was justifiable when taking into account staff hours expended to issue and enforce the license. In addition, some on the Council were concerned with the perceived unlevel playing field between business owners who operate out brick and mortar establishments who have increased operating costs including the payment of property taxes which support services provided by the City. As such, there appeared to be some interest in raising the license fees to include an assessment for City services and to cover the cost of licensing and enforcement.

Additionally, staff has contacted several Oregon coastal jurisdictions to see what their process is, and what fees they charge for this license type. The following information is what staff found on these comparison jurisdictions as well as what we are doing in Coos Bay:

- **Coos Bay**
 - Regulated by Municipal Code
 - Business license fee is \$50 per year
 - One time \$75 ROW fee as long as business license does not expire \$125 for the first year and \$50 thereafter
- **Florence**
 - Regulated by Municipal Code
 - Business license fee is \$45 per 6-month period (\$90/year)
 - Subject to review every 6 months to re-evaluate
- **North Bend**
 - Regulated by Municipal Code
 - Business license fee is \$50 per 6-month period (\$100/year)
- **Lincoln City**
 - Regulated by the Municipal Code
 - Business License Fee \$150 per year plus a \$25 annual application fee (\$175/year)

- **Bandon**
 - Regulated by Zoning and not allowed on public property.
 - No business license fee but must undergo a site plan review, provide parking, and pay system development changes when hooking up to utilities.

ADVANTAGES:

An increase business license fee for transient vendor business licenses will more fully justify the staff time spent to issue and enforce the license. Additionally, an increased fee will, in a small way, bring the start-up and continuing costs for operating these transient businesses into line with a more traditional brick and mortar business.

DISADVANTAGES:

An increased fee may drive away transient vendor use types from the City which may further decrease the amount of visitors to our downtown area thereby decreasing the spin-off sales from those visitors to other businesses.

BUDGET IMPLICATIONS:

An increased fee would help to offset some of the staff costs for issuance and enforcement of the license.

RELATED CITY GOAL(S):

This matter is related to two of the City's goal: (1) Economic Development & City Revitalization; and (2) Finance. The Council's economic development goal is "to create a vibrant community for City citizens and entrepreneurs." One of the Council's finance related priorities is to "provide a sustainable level of core services..." which does require the necessary resources to pay for the services provided.

ACTION REQUESTED:

Staff is seeking direction from the Council as to whether staff should pursue raising the fee for transient vendor business licenses.