

Proposed Updates to Title 7 Business License Ordinance

**Presented to Business License Commission
April 18, 2018**

Presented by:
Office of the County Counsel
Treasurer and Tax Collector

Background

- The Business License Ordinance (Title 7) was adopted in 1951.
- Division 1 contains General Licensing Procedures and Division 2 contains Specific Business Requirements.
- In the fall of 2015, TTC advised Ops Cluster of its three-year plan to update Title 7, and advised the BLC of its plans on June 21, 2017.
- TTC and County Counsel have drafted a proposed ordinance amending Division 1, and plan to propose amendments to Division 2 in phases.

Division 1: General Licensing Procedures Proposed Organization

Chapter 7.02: Definitions, Business License Requirement,
Application Process & Licensee Responsibilities

Chapter 7.04: Business License Commission Hearings

Chapter 7.06: Appeals

Chapter 7.08: Violations and Enforcement

Chapter 7.10: Administration of Title 7

Table 1: Fee Schedule with Updated Format

Division 1: General Licensing Procedures

Proposed General License Provisions

The ordinance amending Division 1 would:

- Update the definitions used in Title 7.
- Explicitly state that businesses may be required to comply with other titles of the Code, such as Titles 4, 8, 10 and 22 (i.e., TOT, minimum wage, and zoning).
- Clarify that temporary licenses are only available for initial (not renewal) licenses, and only for 60 days.

Division 1: General Licensing Procedures

Proposed Application Process

- Clarifies application requirements, including:
 - Applicants must notify TTC of changes in application information.
 - Specific information required based on business entity type.
 - Applicants must: (a) list and attach proof of compliance with applicable federal and State license and permit requirements; (b) confirm compliance with County, State and federal laws; and (c) sign under penalty of perjury.
 - Land use approval is a precondition to a completed application. During the referral process, other departments may recommend denial, approval, or conditions.
- Clarifies the background check process.

Division 1: General Licensing Procedures

Proposed Responsibilities of Licensees

The proposed ordinance:

- Clarifies the requirement to notify TTC of changes in certain information and clarifies which changes require a new license.
- Clarifies that licensees must obtain prior approval of TTC to relocate.
- Requires licensees to apply for renewal 60 days before expiration, or pay late fees, and creates an enhanced renewal process.

Division 1: General Licensing Procedures Hearings (No Change)

- No changes are proposed to the existing hearing process.
- But, hearing requirements will be added to the license fee schedule to better inform businesses and the public of licensing requirements.

Division 1: General Licensing Procedures

Proposed Appeals

- Expands options for appeals of BLC decisions, to include an Administrative Law Judge or Countywide Hearing Officer.
- Appellants remain responsible for hearing costs.

Division 1: General Licensing Procedures Proposed Violations and Enforcement

- Retains BLC's authority to add or modify conditions to existing licenses in response to complaints.
- Adds administrative enforcement as an alternative tool.
- Limits the existing accusation process so that only County officials may file a statement of charges.
- Adds due process provisions to the business lock-out provision.

Division 1: General Licensing Procedures

New Chapter: Administration of Title 7

- Authorizes TTC to adopt rules and regulations, in consultation with the BLC, and requires TTC to post its rules and regulations on its website.

Division 1: General Licensing Procedures

Proposed Fee Schedule Format

- Fees for particular business licenses will be reviewed in connection with the review of specific business activities (Division 2).
- But, the current proposal adds information to the fee schedule to consolidate various requirements applicable to business activities.

Current Format

	FEES	
	First Year	Annual Renewal
ACCUPRESSURE ESTABLISHMENT	\$2,268.00	\$ 354.00

New Format

	Temporary License (TL)	Hearing Required (H)	No TL, No Hearing (NH)	Background Check (Yes/No)

Division 2: Specific Business Requirements

Revision Initiated by TTC

- Automobile Repair
- Charitable Solicitations (*Gospel Missions*)
- Taxis (AB 1069)
- Water Taxis
- Food Establishments
- Public Eating

New per Board Motion on February 13, 2018

- Janitorial
- Garment Manufacturers
- Carwashes

Automobile Repair – Chapter 7.58

Proposed Changes	Justification
Change terminology from “motor vehicle” to “automobile.”	“Motor vehicle” is an outdated term.
Consolidates automobile repair, body and fender, and painting into one license type.	Simplification and ease of reference.
License application must include proof of State license or registration.	
Deletes requirements in conflict with State law and instead explicitly references State law.	Improve compliance with State law and eliminate conflicts between State and County requirements (i.e., invoices).

Charitable Solicitations – Chapter 7.24

Proposed Changes	Justification
Mirrors the City of LA’s ordinance amending its charitable solicitations requirements.	The City amended its ordinance in response to <i>Gospel Missions of America v. Bennett</i> (1997).
Limits information required in application.	Addresses constitutional concerns regarding donor information.
Limits grounds for denial to objective standards, which do not include “inefficient operation.”	Court ruling in <i>Gospel Missions of America v. Bennett</i> (1997).
Makes approval a ministerial TTC action, appealable to the BLC.	Same as above.
Approval timeline is shortened.	Ministerial process is faster, and addresses concerns about prior restraint.
Removes references to religious solicitations.	Establishment Clause.

Taxicabs – Chapter 7.80

Proposed Changes	Justification
Removes references to limousines.	Limousines are no longer regulated by the County, but are under the PUC's jurisdiction.
Requires taxicab drivers to be affiliated with a licensed operator to obtain a license.	Compliance with amended State law.
Drivers must pass an initial and annual substance and alcohol test.	Same as above.
Driver permits must include a photo.	Same as above.
Customers may be advised of fares through mobile devices.	Same as above.
County may only require operators or drivers "substantially located" in the County to obtain a license.	Same as above.
Annual reports required to confirm licensee is "substantially located" in the County.	Same as above.
Minimum fine for operating a taxicab without a license is \$5,000.	Same as above.

Thank you.

Questions may be directed to:

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