

**ORDINANCE NO. 23-1005**

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**AN ORDINANCE OF THE CITY OF OREGON CITY REVISING THE CITY CODE  
MUNICIPAL CODE TITLE 5.04 – BUSINESS LICENSES**

**WHEREAS**, Licensing businesses ensure that they will comply with applicable laws and ordinances in a manner which does not detract from public health, safety, and welfare. and

**WHEREAS**, Title 5 entitled “Business Licenses and Regulations” currently governs the City’s Business Licensing Program; and

**WHEREAS**, The City Commission held a discussion on this topic directing staff to conduct research as to how other communities are applying business license requirements including for farmers’ markets and events; and

**WHEREAS**, The City Commission has identified fees and processes that can be improved in the business license regulations that will improve the licensing process for businesses in Oregon City, consistent with processes and fees throughout the region; and

**WHEREAS**, During its October 4<sup>th</sup> work session, the City Commission reviewed a list of recommended revisions associated with Oregon City’s Business License program reviewed.

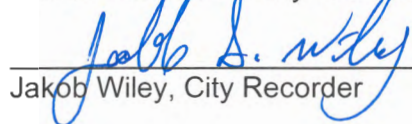
**NOW, THEREFORE, OREGON CITY ORDAINS AS FOLLOWS:**

**Section 1.** Oregon City Municipal Code section 5.04 is amended as included in Exhibit A to this ordinance.


Read for the first time at a regular meeting of the City Commission held on the 18th day of October, and the City Commission finally enacted the foregoing ordinance this 1st day of November, 2023.

  
\_\_\_\_\_  
DENYSE C. MCGRIFF  
Mayor

Attested to this 1st day of November 2023,

  
\_\_\_\_\_  
Jakob Wiley, City Recorder

Approved as to legal sufficiency:

  
\_\_\_\_\_  
City Attorney

- **Title 5 - BUSINESS LICENSES AND REGULATIONS**
- **Chapter 5.04 - BUSINESS LICENSES<sup>[1]</sup>**

**Footnotes:**

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**Editor's note**— Ord. No. 10-1014, § 1, adopted Mar. 16, 2011, amended Ch. 5.04, in its entirety to read as herein set out.

- **5.04.010 - Purpose.**

In order that business, manufacturing, pursuits, professions and trade be carried on and conducted in the city in a profitable and peaceful manner, it is necessary that the same be regulated and safeguarded. (Ord. 01-1001 [§1](#)(part), 2001: prior code §5-2-2(part))

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.020 - Definitions.**

As used in this title, the following words and terms shall have the meanings herein ascribed to them, unless the content makes such meaning repugnant thereto:

"Business" means any trade, profession, occupation or pursuit of every kind conducted in the city for gain.

"Business license manager" means the Oregon City finance director or a person or persons designated by the finance director to act on behalf of the city for purposes of this chapter.

"City" means the city of Oregon City, Oregon.

"City manager" means the Oregon City manager or a person or persons designated by the city manager to act on behalf of the city for purposes of this chapter.

"Commission" or "city commission" means the city commission of Oregon City, Oregon.

"Food stuffs" means any article of food intended to be sold or used for human consumption, and shall also include tobacco in all forms, and beverages.

"House" means and includes hotels, rooming and lodging houses where rooms are equipped for sleeping purposes and are rented for periods of less than thirty days.

"Person" means any person, firm, co-partnership, association, joint venture, syndicate, society or domestic or foreign corporation, and includes fraternal organizations, clubs, lodges and similar places or establishments employing full-time or part-time employees in any business for gain which is not specifically exempt from the provisions of this chapter by the Constitution, laws or regulations of the United States or of the state.

"Retail" means any sale direct to the consumer or user for consumption or use and not for resale purposes.

"Street" means any street, alley, avenue, highway, court or land in the city.

"Transient merchant" means every person engaged or participating in a temporary or transient business of selling or exhibiting for sale goods, wares or merchandise in any room, building or structure, whether he be associated with any local dealer or not, unless such temporary or transient business is conducted upon the premises regularly occupied by the local dealer. (Ord. 01-1001 [§1](#) (part), 2001: prior code §§5-1-1 and 5-2-1)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **5.04.030 - Exemptions.**

The following business activities shall be exempt from the requirement of this chapter:

- A. Any person whose income is based solely on an hourly, daily, weekly, monthly or annual wage;
- B. Any person conducting a garage sale or other isolated sale not on a continuing basis where the merchandise is composed of the real or personal property of the seller not acquired for the purpose of resale. (Ord. 01-1001 [§1](#) (part), 2001: prior code §5-2-2 (part))
- C. Residential and commercial contractors and landscapers who have a valid regional contractor's business license issued by Metro and who do not have a principal place of business within the City.
- D. Vendors that are under the direction of an event, such as vendors at a farmer's market or street fair.

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.040 - Disposition of proceeds.**

All monies received from licenses issued hereunder shall be accounted for separately and dedicated, after payment of costs, to economic development and administration.

(Ord. 01-1001 §1 (part), 2001: prior code §5-2-3)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 15-1001, § 2, 3-18-2015)

- **5.04.050 - Presumption of business.**

Any person that advertises or otherwise holds himself out to the public as engaged in any business, profession, trade or calling for which a license is required, shall be conclusively presumed as holding himself out to the public as so engaged, and shall pay such license fee as required by this chapter. (Ord. 01-1001 [§1](#) (part), 2001: prior code §5-2-4)

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.060 - License—Required.**

No person shall carry on any business within the City without first obtaining a license therefor. Nor shall any person carry on any such business without complying with the provisions of this chapter. No license shall be issued to any business prohibited by local, state or federal law. (Ord. 01-1001 §1 (part), 2001: prior code §5-2-5)

A. Businesses and solicitors operating within the legal boundaries of Oregon City for up to two weeks or less will be required to obtain temporary business licenses. There shall be no limit on the number of temporary business licenses issued. The cost of such licenses shall be established by resolution.

B. Nonprofit organizations with proof of 501 (C)(3) status are required to obtain a business license but no license fee shall be required of such organizations.

C. Primary organizer(s) of an event held in the public rights-of-way require only the organizer(s) to obtain and pay for a business license. A list of vendors shall be submitted one day before the event to the city.

D. Primary event organizer(s) of farmers' markets are required to have and pay for a business license. Participating vendors are not required to have or pay for a business license. The primary organizer(s) will submit a list of vendors one day prior to the start of the operation to the city.

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 12-1003, § 1, 4-4-2012; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **5.04.070 – License—Application.**

A. Any new business that is not in operation on or before the month of January and that desires to conduct business within the city shall make application for the license required by this chapter to the business license manager before starting a business.

B. The chief of police, chief of the fire department, city engineer, code compliance officer, other departments and/or their agents and subordinates, are directed and empowered to review license applications for the purpose of determining whether a proposed business license complies with all building, zoning, signage, fire and police and other legal requirements.

C. Incomplete applications will expire if not completed within thirty days. In the event a license application expires, the applicant may reapply for the business license.

(Ord. 01-1001 §1 (part), 2001: prior code §5-2-6)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

**Editor's note—** Ord. No. 16-1001, § 1(Exh. A), adopted March 16, 2016, changed the former § 5.04.070 catchline, to read as set out herein. The former section catchline previously read: "License—Application—Proration of fees."

- **5.04.080 - Examination of business premises—Hearing—Suspension or issuance.**

A. The chief of police, chief of the fire department, city engineer, code compliance officer, other departments and/or their agents and subordinates, are directed and empowered to investigate and examine all places of business licensed or subject to license under the terms of this chapter at any time and all reasonable times in accordance with applicable law for the purpose of determining whether such

place of business is safe, sanitary and suitable for the business so licensed or for which application for license is made.

B. In the event it is determined by such officers or their agents that any such place of business is dangerous to public health, safety, welfare or is likely to become or is at that time a public menace or nuisance, the business license manager shall send by certified mail to the concerned business, notification of a hearing to be held before either the Oregon City Municipal Court or the Oregon City Code Hearings Office. The purpose of the hearing shall be to determine whether the concerned business shall be permitted to receive a city business license, or if the concerned business had previously been issued a city business license, whether such license should be suspended or revoked.

C. The notification to the concerned business shall set forth the time and place of the hearing and will cite specific incidents that constitute the basis for the determination by the chief of police, chief of the fire department, city engineer, code compliance officer, other departments and/or their agents and subordinates, that the concerned business is dangerous to either public health, safety, welfare or is likely to become or is at the present time a public menace or nuisance.

D. At the hearing on the question of whether the business license should be issued, or if previously issued, whether it should be suspended or revoked, evidence or testimony shall be received and considered only when such evidence or testimony is relevant to the cited incidents or offenses contained in the notification to the concerned business. If a determination is made that all or a portion of the incidents or offenses set out in the notification to the concerned business are supported by substantial evidence, the Oregon City Municipal Court or Oregon City Code Hearings Office shall refuse to issue a business license to the concerned business, or if a business license has previously been entered, shall suspend or revoke such license. The decision of the Oregon City Municipal Court or the Oregon City Code Hearings Office shall be the final decision of the city.

E. Any investigation having been satisfactorily completed without a determination by the city officials that the business is dangerous to public health, safety, welfare or is likely to become or now is a public menace or nuisance, or if such a determination has been so made, and if the Oregon City Municipal Court or the Oregon City Code Hearings Office finds that such determination is not supported by substantial evidence, a license shall be issued by the business license manager. (Ord. 01-1001 [§1](#) (part), 2001: prior code §5-2-7)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

**Editor's note—** Ord. No. 16-1001, § 1(Exh. A), adopted March 16, 2016, amended § 5.04.080 to read as herein set out. Former § 5.04.090, pertained to License—Suspension or issuance—Public hearing, and was incorporated, verbatim, into § 5.04.080 as subsection D. A new subsection E. of § 5.04.080 was added.

- **5.04.090 - License—Denial, suspension or revocation—Appeal.**

If the issuance of a business license is denied, or if a business license is suspended or revoked, by a reviewing department, for reasons other than a determination set out in [Section 5.04.080](#), the business license manager shall send to the applicant/license holder, by certified mail, written notice of the denial or revocation and of the right to an appeal. The denial or revocation of the license is final unless the applicant/license holder appeals the decision in writing to the city manager within ten business days of

receipt of the notification. The city manager shall, within ten business days after the appeal is filed, consider all the evidence in support of or against the action appealed and render a decision either sustaining or reversing the denial, suspension or revocation. The decision of the city manager shall be the final decision of the city. (Ord. 01-1001 [§1](#)(part), 2001: prior code §5-2-8)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **5.04.100 - License—Suspension or revocation—Effect.**

If a business license is suspended or revoked, the concerned business shall immediately cease conducting any and all businesses within the city. Any business that continues to conduct business within the city subsequent to a suspension or revocation shall be subject to the same fine and penalties as if such business had never obtained a city business license and was carrying on a business within the city without such a business license. (Ord. 01-1001 [§1](#)(part), 2001: prior code §5-2-9)

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.110 - License—Issuance.**

The business license manager shall review the application and, if it complies with all requirements of this chapter, including being legally allowed to operate in the city and all fees having been paid, the business license manager shall issue a license within thirty days of application being complete. (Ord. 01-1001 [§1](#)(part), 2001: prior code §5-2-11)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **5.04.120 - Effect of license issuance.**

The issuing of a license pursuant to this chapter or the collection of a fee or tax shall not permit any person to engage in any unlawful business. The licenses levied and fixed by this chapter shall be in addition to the general ad valorem taxes now or hereafter levied pursuant to law. All ordinances of the city in force on the effective date of the ordinance codified in this chapter pertaining to or covering any business, pursuit or occupation and providing a license or condition for its operation, shall remain in full force and effect. In the event of a conflict or duplication of a license fee, then such other ordinance shall have precedence over the provisions of this chapter to the end that there will be no duplication of license fees for the same business, occupation, profession or pursuit. (Ord. 01-1001 [§1](#)(part), 2001: prior code §5-2-12)

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.130 - Separate license for separate locations.**

If any person operates a business in the city in more than one location, each location shall be considered a separate business for the purpose of this chapter, except the warehouses used in connection with a business shall not be so separately licensed. (Ord. 01-1001 [§1](#)(part), 2001: prior code §5-2-13)

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.140 - License—Display.**

All licenses issued in accordance with this chapter shall be openly displayed in the place of business or kept on the person or on the vehicle of the person licensed and shall be immediately produced and delivered for inspection to the chief of police, the chief of the fire department, the code compliance officer, other departments and/or their agents and subordinates, when so requested. Failure to comply with the provisions of this section shall be deemed a violation of this chapter. (Ord. 01-1001 [§1](#)(part), 2001: prior code §5-2-14)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **5.04.150 - License—Computation of fees.**

A. Annual Business License Fee for Persons Having a Fixed Place of Business Within the City. All persons, upon the initial application for a business license and upon each subsequent year renewal of a business license, who have a fixed place of business within the city and are subject to being licensed under the provisions of this chapter, shall pay an annual business license fee based upon the number of individuals carrying on such business, profession, pursuit, or occupation as set forth in a resolution of the City Commission.

B. In arriving at the number of individuals carrying on such business, profession, pursuit or occupation, there shall be considered the proprietors thereof and all individuals regularly employed in such by said proprietors. If such is carried on by a corporation, all officers and employees of the corporation who devote the principal part of their time to such business, profession, pursuit or occupation shall be considered. If any person shall have his principal place of business outside the city, then only such proprietor, officers or employees shall be considered as are actually engaged in such business, profession, pursuit or occupation within the city.

C. Annual Business License Fees for Persons Having No Fixed Place of Business Within the City. The city commission finds that certain trades, shops, businesses or callings are carried on in the city by persons from regular places of business and by persons who have no regular place of business within the city, that persons with regular places of business in the city pay city ad valorem property taxes upon real and personal property which is used in and belongs to their business and that the persons who do not have regular places of business in the city escape such ad valorem taxation. Both receive the benefit of police and fire protection, public utilities and sidewalks, streetlights, health services and other public facilities and services of the city. Therefore, in order that each shall pay as nearly as may be not a discriminatory share, but a share in proportion to benefits received of the burden of supporting such facilities and services of the city, businesses not operating from regular places of business in the city shall pay an annual license fee designated for businesses operating under this designation.

D. Proration of Business License Fee.

A new application received after January 31<sup>st</sup> shall be charged a prorated amount of the full annual fee based on the remaining number of full months in the calendar year.

E. Additional Fees. Certain businesses generating the need for additional city services should be subject to fees in addition to those imposed for a general business license. These additional fees shall be as follows:

1. Circuses, carnivals, theatrical and musical productions, festivals and other operations of like nature are subject to a per event fee.
2. For the privilege of engaging in the business of displaying or operating the following machines:
  - a. Amusement, cigarette, music, pool table/dart board, snack/drink machine, video games are subject to a per machine fee. This fee does not apply to any machine owned by the state.
3. Manufactured dwelling parks are subject to a per space fee.

F. License fees not paid within the program's renewal period shall be deemed delinquent. A late fee will be charged in addition to the regular business license fee. The city manager shall have authority to waive payment of collection fees under circumstances where imposition thereof would create an injustice or unreasonable hardship.

G. Amounts for fees included in this chapter shall be established by city commission resolution. Fee amounts may be revised by resolution of the city commission from time to time.

H. In the event the applicable classification or fees assessable to a business require clarification or interpretation, any interested person may request a determination by the city manager, whose decision shall be final. The city manager shall have the authority to waive all or a portion of established fees to meet the intent and purpose of this chapter. (Ord. 07-1000 [§1](#), 2007: Ord. 01-1001 [§1](#)(part), 2001: prior code §5-2-15)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)

- **5.04.160 - License—Transfer.**

No transfer or assignment of any license issued hereunder shall be valid or permitted, except that whenever any person sells or transfers in has been paid, then the vendee thereof shall not be required to pay the balance of the license year. (Ord. 01-1001 [§1](#)(part), 2001: prior code §5-2-16)

(Ord. No. 10-1014, § 1, 3-16-2011)

- **5.04.170 - Street sales prohibited.**

It is unlawful for any person to sell, or offer to sell, any goods, wares or merchandise on any of the streets, alleys or sidewalks of the city, from any booth, wagon, truck or other vehicle or otherwise within the city before first securing a permit from the city. The permit shall be required in addition to any business license and shall prescribe reasonable limits upon the use thereof. (Ord. 01-1001 [§1](#)(part), 2001: prior code §5-2-18)

(Ord. No. 10-1014, § 1, 3-16-2011; Ord. No. 16-1001, § 1(Exh. A), 3-16-2016)