

RESOLUTION NO. 13-1988

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, RECOGNIZING THE METRO BUILDER'S BUSINESS LICENSE PROGRAM AND GRANTING AUTHORITY TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT.

WHEREAS, Metropolitan Service District, hereinafter referred to as "Metro", Code establishes Metro Builder's Business License Program which provides for the issuance of business licenses to builders conducting business within the boundaries of Metro.

WHEREAS, Metropolitan Service District Code provides that City of Milwaukie may, by written contract, agree to terms and conditions by which applications for builder business license may be made available to the public, licenses issued and license fees collected and reimbursement be made to City of Milwaukie from Metro for the cost of issuing said licenses.

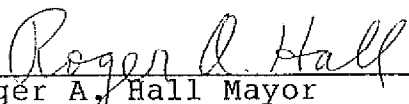
WHEREAS, proposition has been made by Metro and reviewed by City of Milwaukie and other jurisdictions within the boundaries for Metro and City of Milwaukie is in agreement with the terms and conditions of such proposal and agreement, a copy of which is attached hereto, marked as Exhibit "A: and by this reference made a part of this resolution.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Milwaukie that:

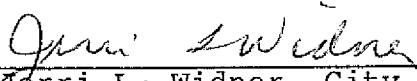
Section 1. The City of Milwaukie does hereby express its intent to enter into and execute a contract with Metropolitan Service District to be a participating jurisdiction for purposes of the Builder Business License Program set forth above and to act as an agent of Metro for the purposes outlined above and does hereby authorize the Mayor and City Manager to execute such an agreement or understanding as may be required to accomplish this purpose.

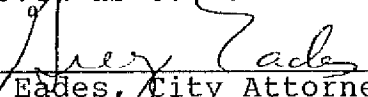
Section 2. That the understanding and agreement between the City of Milwaukie and Metro concerning the availability of applications for Builder Business Licenses, the issuance of and collection of fees for said license, shall in no way limit, abridge or otherwise modify or amend any ordinance of the City of Milwaukie in effect for the licensing or regulation of businesses.

Introduced and adopted by the City Council on June 7, 1988.


Roger A. Hall Mayor

Attest:


Terri L. Widner, City Recorder
Approved as to form:


Greg Eades, City Attorney

Metro Builder's Business License Program
Intergovernmental Agreement Between
Metro and the City of Milwaukie

This agreement is made by and between the Metropolitan Service District (METRO) and the City of Milwaukie (Jurisdiction).

WHEREAS, Metro has adopted Ordinance 88-248 that establishes the Metro Builder's Business License Program for the purpose of issuing business licenses to builder's conducting business within the boundaries of Metro pursuant to ORS 701.015 and 701.020; and

WHEREAS, ORS 701.015 and 701.020 prescribes certain duties for Metro and cities and counties within Metro's boundaries in the administration of a program that issues builders business licenses under that legislation; and

WHEREAS, the parties desire to agree to certain additional procedures needed to implement the Metro Builder's Business License Program.

NOW, THEREFORE, the parties hereto agree as follows:

1. Jurisdiction shall provide sufficient staff to make available to the public applications for the Metro Builder's Business License and to provide general information to the public concerning the requirements of the Metro Builder's Business License program.
2. Metro shall provide to the jurisdiction applications for and information explaining the Metro Builder's Business License Program.
3. Jurisdiction shall receive completed applications from the public and collect the license fee. Jurisdiction's staff shall instruct applicants to make checks or money orders payable to the Metropolitan Service District (Metro).
4. Jurisdiction shall at the close of each business day forward to Metro all completed applications for said license and the entire fee collected for the license that were received that day.
5. As consideration for the above described services, Metro shall, at least once a year, make payment to Jurisdiction in an amount that equals \$ 2.20 times the number of completed applications received by Metro from Jurisdiction.

Approval Recommended

Sandra Miller

Sandra Miller

Assistant to the City

Manager

DATE: 5/31/88

MEMORANDUM

TO: Hugh H. Brown, City Manager

FROM: Jerri L. Widner, Finance Director *ju*

SUBJECT: METRO BUILDERS BUSINESS LICENSE

ACTION REQUESTED:

Passage of resolution attached which recognizes the Metro Builder's Business License Program and grants the authority for the attached intergovernmental agreement with Metro.

BACKGROUND:

As per state legislative action, the Metropolitan Service District has devised a program for licensing residential building contractors on a regional basis, rather than City by City.

A copy of the Metro ordinance enacting this program is attached for City Council information. The City of Milwaukie falls within the jurisdiction of this state requirement.

Metro would like the City to participate in collecting applications from builders and transmitting them to Metro. The City would receive \$2.20 per application submitted for this service. In addition, any builder who has his/her place of business located within the City of Milwaukie would still be required to pay our City business license tax. For those builders with offices outside the City, the City would share on a residential permit proration the license fees collected region wide.

The monetary impact of this legislation is not known exactly, but it appears as if it would be somewhere in the neighborhood of \$2,000 to the City.

Attached is a resolution recognizing the Metro Builder's Business License Program and an intergovernmental agreement for our participation in collecting the Metro Builder's Business License applications.

I recommend passage of the resolution and direction for the City Manager to sign the intergovernmental agreement.

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

AN ORDINANCE ESTABLISHING THE	)	ORDINANCE NO. 88-248
METRO BUILDER'S BUSINESS LICENSE	)	
PROGRAM	)	Introduced by Rena Cusma,
	)	Executive Officer

THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT HEREBY ORDAINS:

Section 1. Chapter 2.09, Builder's Business License, is added to the Code of the Metropolitan Service District to be numbered, titled and to read as follows:

Chapter 2.09 Builder's Business License

2.09.010 Purpose and Authority:

(a) The purpose of this ordinance is to provide a procedure for the District to issue Builder's Business License, establish a fee for the license, and distribute to participating jurisdictions the fees collected by the District.

(b) The authority for the Metropolitan Service District to issue Builder's Business License, establish requirements for the issuance of the license, charge a fee for the license, receive reimbursement for administrative expenses incurred in carrying out this program, determine the dollar amount of residential building permits issued within the District and distribute the fees to participating jurisdictions is granted by Oregon Revised Statutes 701.015.

2.09.020 Definitions:

(a) "Builder" has the meaning given under ORS 701.055.

(b) "Builder's Business License" means a document issued by the District to a builder that permits the builder to conduct business in participating jurisdictions.

(c) "Builder's Business License Fee" means any fee paid to the District for the issuance of a Builder's Business License.

(d) "Business License Tax" means any fee paid by a builder to a city or county for any form of license that is required by the city or county to conduct business in that jurisdiction. The term does not include any franchise fee or privilege tax imposed by a participating jurisdiction upon a public utility under ORS 221.420 or 221.450 or any provision of a city charter.

(e) "Conducting Business" means to engage in any activity in pursuit of gain including activities carried on by a builder through officers, agents and employees as well as activities carried on a builder on that builder's own behalf.

(f) "Participating Jurisdiction" means any city or county located wholly or partly within the boundaries of the District that has a requirement for a builder to obtain a business license to conduct business in that jurisdiction, and the fee for this license is not based on or measured by adjusted net income.

(g) "Principal Place of Business" means the location of the central administrative office in this state of a builder conducting business in this District.

(h) "Residential Building Permit" means any permit issued for the construction or alteration of a residential structure issued by a governing body authorized under ORS 455.150.

2.09.030 Eligibility and License Issuance: Any builder wishing to conduct business in any participating jurisdiction shall be issued a Builder's Business License if [the following conditions] subsections (a) and (b) are met by the builder:

(a) (1) Presents proof to the District that the builder has paid the business license tax imposed by each participating jurisdiction in which the builder has an office; or

~~[(b)]~~ (2) Presents proof that the builder has an office only outside the boundaries of a participating jurisdiction; and

~~[(c)]~~ (b) (1) Presents proof that the builder is currently registered with the State of Oregon Builder's Board;

~~[(d)]~~ (2) Completes an application as required by Section 2.09.070 of ~~this~~ chapter;

~~[(e)]~~ (3) Pays the Builder's Business License fee established in Section 2.09.100 of this chapter; and

~~[(f)]~~ (4) Meets all other license requirements provided under this chapter.

2.09.040 Denial of Issuance:

(a) The District shall refuse to issue a license for any one of the following reasons:

(1) Fraud, misrepresentation or false statement made in the applications at the time of application.

(2) Failure to present proof at the time of application that the applicant has met all other license requirements provided under this chapter.

(3) Failure to pay the Builder's Business License fee established under Section 2.09.100 of this chapter.

(b) Notice of denial of a application shall be given in writing to the applicant setting forth the grounds of the denial. Such notice shall be mailed to the applicant at the address that appears on the application for the license. This action of denial may be appealed as provided in Section 2.09.150 of this chapter.

2.09.050 Exemptions: A builder that is required to be licensed by a city within the boundaries of the District that imposes a business license tax based on or measured by adjusted net income earned by conducting business within the city may not obtain and possess a Builder's Business License in lieu of that jurisdiction's business license tax or business license.

2.09.060 License Applicability:

(a) If a builder has paid any business license tax imposed by participating jurisdictions in which the builder has an office the builder may apply for a Builder's Business License from the District.

(b) If a builder has been issued a Builder's Business License by the District, the builder may conduct business without any other business license in participating jurisdictions in which the builder: (1) has no office, [and has met all other requirements to conduct business in that jurisdiction] (2) has not derived gross receipts of \$100,000 or more from business conducted within the boundary of the participating jurisdiction during the calendar year for which the business license is owed.

2.09.070 Application for License: To obtain a Builder's Business License, a builder must make application in person or by mail to the District upon forms provided and prescribed by the District. The completed application shall be filed with the fee described in Section 2.09.100 of this chapter with the District before a builder is issued a Builder's Business License.

2.09.080 Application Contents: Each application for a Builder's Business License received by the District shall contain:

- (a) The name of the business making application.
- (b) The name of a contact person in the business.
- (c) The address of the principal place of business.
- (d) The telephone number of the business.
- (e) State of Oregon Builder's Board registration number.
- (f) Date of application.
- (g) The signature of the builder making the application.
- (h) Such other information as the District shall determine.

2.09.090 Validity of the License:

(a) The license shall be valid from the date of issuance to the day immediately preceding the date of issuance in the following year. The license shall not be issued for a portion of a year.

(b) Before the expiration of the Builder's Business License, the District shall notify the builder to whom the license was issued of the approaching expiration. Within 90 days prior to the expiration date, the notice shall be mailed to the builder to whom the license was issued at the address shown on the original application for the license maintained by the District.

(c) The District is not required to notify the builder of an approaching expiration if the builder's license has been revoked under Section 2.09.140 of this chapter, or if the builder has failed to notify the District of a change of address.

2.09.100 Fee: The fee to be paid by any builder for a Builder's Business License is \$110.00 and is non-refundable.

2.09.110 License: Each Builder's Business License issued under this chapter shall state upon its face the following:

- (a) The name of the licensee.
- (b) The address of the licensee.
- (c) A unique license number established by the District.
- (d) The date of issuance.
- (e) The date of expiration.
- (f) Such other information as the District shall determine.

2.09.120 Replacement License:

(a) A replacement Builder's Business License shall be issued upon receipt by the District of a completed application for a replacement license and payment of a \$20 fee to replace any otherwise valid license previously issued which has been lost, destroyed or mutilated. The expiration date for the replacement license shall be the same date as provided on the original license issued to the builder.

(b) Each application for a replacement shall contain:

- (1) The name of the business making application.
- (2) The name of a contact person in the business.
- (3) The address of the principal place of business.

- (4) The telephone number of the business.
- (5) State of Oregon Builder's Board registration number.
- (6) Date of application.
- (7) Such other information as the District shall determine.

2.09.130 Renewal: Each builder requesting renewal of a license must make application, as described in Section 2.09.070 of this chapter, to the District upon forms provided and prescribed by the District. The completed application for renewal of the Builder's Business License shall be filed with the fee described in Section 2.09.100 of this chapter with the District before a renewal license is issued.

2.09.140 Revocation:

(a) A license issued under this chapter may be revoked by the District, after notice, for any of the following reasons:

(1) Fraud, misrepresentation or false statement contained in the application for the license.

(2) Fraud, misrepresentation or false statement made in the course of carrying out the licensed activity.

(3) Conducting the licensed activity in an unlawful manner or in such a manner as to constitute a menace to the health, safety or general welfare of the public.

(4) Failure to comply with the ordinances and resolutions of a jurisdiction within the boundaries of the District in which the license holder is conducting business authorized by this license.

(b) Notice of revocation of a license shall be given in writing to the licensee setting forth the grounds of the complaint. Such notice shall be mailed by certified mail at least ten (10) working days before the date of revocation to the licensee at the address that appears on the application for the license being revoked. Revocation shall be effective ten (10) working days after notice of revocation.

2.09.150 Appeal of a Revoked License or Denied Application: Any builder aggrieved by the action of the District in denying an application for or revocation of a Builder's Business License is entitled to appeal action under the provisions of Metro Code chapter 2.05.

2.09.160 Penalty: Any builder who fails to comply with or violates any provision of this Chapter is subject to penalties under Section 1.01.110 of this Code. In the event that a provision of this chapter is violated by a firm or corporation, the officer or builder

responsible for the violation shall be subject to the penalty provided in Section 1.01.110 of this Code.

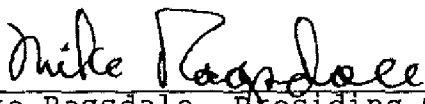
2.09.170 Distribution of Fees: The District shall distribute the Builder's Business License fees collected by the District under this chapter to participating jurisdictions after the District has received reimbursement for administrative expenses incurred in carrying out the provisions of this chapter. At least once a year, each participating jurisdiction shall receive a share of the Builder's Business License fees collected by the District based on a ratio of the total of the dollar amount of residential building permits issued by all participating jurisdictions to the total dollar amount of residential building permits issued during that year by each participating jurisdiction.

2.09.180 Regulations: The Executive Officer may establish such other Builder's Business License regulations, not inconsistent with this chapter, as may be necessary and expedient.

2.09.190 Operative Date: For the purpose of administering this program, entering into intergovernmental agreements with participating jurisdictions, collecting fees and issuing licenses, this ordinance is operative immediately upon passage.

2.09.200 Effective Date: No Builder's Business License shall be effective before July 1, 1988.

ADOPTED by the Council of the Metropolitan Service District
this _____ day of _____, 1988.


Mike Ragsdale, Presiding Officer

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