

CITY OF MEDINA, WASHINGTON

Ordinance No. xxx

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MEDINA, WASHINGTON, REGARDING BUSINESS LICENSING, CREATING A NEW BUSINESS LICENSING CODE, ADOPTING A NEW CHAPTER 5.02 OF THE MEDINA MUNICIPAL CODE TO IMPLEMENT BUSINESS LICENSING IN MEDINA, MAKING CONSISTENCY AMENDMENTS TO MMC 5.04.020, 5.06.020, 5.08.030, AND 16.31.010 TO INCORPORATE CHAPTER 5.02 INTO THESE SECTIONS; PROVIDING FOR SEVERABILITY AND CORRECTIONS; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Medina has not required business licenses in the past; and

WHEREAS, having a business licensing requirement in Medina will help the City understand which businesses are operating in Medina, create a pathway to communication with those businesses, and enable Medina to ensure that tax revenues, such as the sales tax, are properly credited; and

WHEREAS, the City has entered into an agreement with the Washington State Department of Revenue Business Licensing Service to partner with Medina on in accordance with state law to administer the business licensing program; and

WHEREAS, the City Council deems it to be in the best interest of the public health, safety and welfare to adopt this Ordinance establishing business licensing in Medina;
NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF MEDINA, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. The above recitals are hereby adopted as findings in support of this Ordinance.

Section 2. A new Chapter 5.02 is hereby added to the Medina Municipal Code to read as follows:

Chapter 5.02 GENERAL BUSINESS LICENSES

Sections:

5.02.010 Generally.

5.02.020 License required.

5.02.030 Definitions.

5.02.040 License fees.

- 5.02.050 Application.**
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- 5.02.210 Violation – Penalty.**
- 5.02.220 Severability.**

5.02.010 Generally.

The provisions of this chapter are deemed to be an exercise of the power of the city to license businesses for regulatory purposes. This chapter shall constitute the Business License Code of the City of Medina and may be cited as such.

5.02.020 License required.

A. As of March 26, 2026 no person may begin to engage in, or carry on any business, occupation, act or privilege within the limits of the City of Medina, whether or not a place of business is maintained within the city, without first having obtained, and being the holder of, a license to do so, to be known as a “business license”, unless specifically exempted from such requirement. All other licenses, permits, or any other form of authorization issued by the city under other ordinances or chapters of the city’s code, and any city fee or tax imposed therefore are in addition to, and are issued and required separately from the business license of this chapter, unless identified otherwise.

B. All persons already having engaged in business in the city prior to October 2, 2025 must complete the process the city prescribes to acquire the City of Medina

business license within sixty (60) days after March 26, 2026 to lawfully continue to engage in business in the city after May 27, 2026.

C. Persons conducting their business from their residence located within the limits of the city must hold the business license as provided for in this chapter, as well as comply with all applicable special conditions for such a business, including, but not limited to those contained in MMC 16.31.010, and any special use permitting requirements or fees.

D. Each physical location in the city at which a person conducts business must have its own license issued under the provisions of this chapter and each business activity at that location must be separately licensed. In addition, if more than one person conducts their own business at the same physical location, each such person must obtain a separate license for their respective business.

5.02.030 Definitions.

The following definitions apply to each section in this subtitle of the MMC:

A. A Definitions:

"Annual business license" means a license for the privilege of doing business with the City or within the City as required by the provisions of this chapter of the License Code of the City. The annual business license certificate issued by the Department of Revenue is required to be displayed at the place of business by all persons operating a business under the provisions of Title 5.

B. B Definitions:

"Business Licensing Service" or "BLS" means the office within the Washington State Department of Revenue providing business licensing services to the City of Medina.

C. C Definitions:

"Calendar year" means January 1 through December 31 of each year.

"Certificate" means "registration certificate" as defined below.

"Charitable organization" means any organization recognized as a nonprofit corporation under the provisions of Chapter 24.03 RCW and exempt from the Washington State business and occupation tax pursuant to RCW 82.04.3651.

"City" means the City of Medina and all its departments.

"City Clerk" or "Clerk" means the Department of the City of Medina Clerk or designee.

D. D Definitions:

"Department" means the Finance Director's Office of the City or any successor department.

"Door-to-door sales" means the carrying of merchandise for sale from place to place, and the making of sales and delivery of merchandise sold at the same time and place.

E. E Definitions:

"Engaging in business"

1. The term "engaging in business" means commencing, conducting, or continuing in business, and also the exercise of corporate or franchise powers, as well as liquidating a business when the liquidators thereof hold themselves out to the public as conducting such business.

2. This section sets forth examples of activities that constitute engaging in business in the City and establishes safe harbors for certain of those activities so that a person who meets the criteria may engage in de minimis business activities in the City without having to pay a business license fee. The activities listed in this section are illustrative only and are not intended to narrow the definition of "engaging in business" in subsection (1). If an activity is not listed, whether it constitutes engaging in business in the City shall be determined by considering all the facts and circumstances and applicable law.

3. Without being all inclusive, any one of the following activities conducted within the City by a person, or its employee, agent, representative, independent contractor, broker or another acting on its behalf constitutes engaging in business and requires a person to register and obtain a business license.

a. Owning, renting, leasing, maintaining, or having the right to use, or using, tangible personal property, intangible personal property, or real property permanently or temporarily located in the City.

b. Owning, renting, leasing, using, or maintaining, an office, place of business, or other establishment in the City.

c. Soliciting sales.

d. Making repairs or providing maintenance or service to real or tangible personal property, including warranty work and property maintenance.

e. Providing technical assistance or service, including quality control, product inspections, warranty work, or similar services on or in connection with tangible personal property sold by the person or on its behalf.

f. Installing, constructing, or supervising installation or construction of real or tangible personal property.

g. Soliciting, negotiating, or approving franchise, license, or other similar agreements.

h. Collecting current or delinquent accounts.

i. Picking up and transporting tangible personal property, solid waste, construction debris, or excavated materials.

j. Providing disinfecting and pest control services, employment and labor pool services, home nursing care, janitorial services, appraising, landscape

architectural services, security system services, surveying, and real estate services including the listing of homes and managing real property.

k. Rendering professional services such as those provided by accountants, architects, attorneys, auctioneers, consultants, engineers, professional athletes, barbers, baseball clubs and other sports organizations, chemists, consultants, psychologists, court reporters, dentists, doctors, detectives, laboratory operators, teachers, veterinarians.

l. Meeting with customers or potential customers, even when no sales or orders are solicited at the meetings.

m. Training or recruiting agents, representatives, independent contractors, brokers or others, domiciled or operate on a job in the City, acting on its behalf, or for customers or potential customers.

n. Investigating, resolving, or otherwise assisting in resolving customer complaints.

o. In-store stocking or manipulating products or goods sold to and owned by a customer, regardless of where sale and delivery of the goods took place.

p. Delivering goods in vehicles owned, rented, leased, used, or maintained by the person or another acting on its behalf.

4. If a person, or its employee, agent, representative, independent contractor, broker or another acting on the person's behalf, engages in no other activities in or with the City but the following, it need not register and obtain a business license.

a. Meeting with suppliers of goods and services as a customer.

b. Meeting with government representatives in their official capacity, other than those performing contracting or purchasing functions.

c. Attending meetings, such as board meetings, retreats, seminars, and conferences, or other meetings wherein the person does not provide training in connection with tangible personal property sold by the person or on its behalf. This provision does not apply to any board of director member or attendee engaging in business such as a member of a board of directors who attends a board meeting.

d. Renting tangible or intangible property as a customer when the property is not used in the City.

e. Attending, but not participating in a "trade show" or "multiple vendor events." Persons participating at a trade show shall review the City's trade show or multiple vendor event ordinances.

f. Conducting advertising through the mail.

g. Soliciting sales by phone from a location outside the City.

5. A seller located outside the City merely delivering goods into the City by means of common carrier is not required to register and obtain a business license, provided that it engages in no other business activities in the City. Such activities do not include those in subsection (4) above.

The City expressly intends that engaging in business include any activity sufficient to establish nexus for purposes of applying the license fee under the law and the constitutions of the United States and the State of Washington. Nexus is presumed to continue as long as the taxpayer benefits from the activity that constituted the original nexus generating contact or subsequent contacts.

F. F Definitions:

"Finance Director" means the Finance Director of the City or any officer, agent, or employee of the City designated to act on the Finance Director's behalf.

G. G Definitions:

"Gross income" means the value proceeding or accruing by reason of the transaction of business engaged in and includes gross proceeds of sales, compensation for the rendition of services, gains realized from trading in stocks, bonds, or other evidence of indebtedness, interest, discount, rents, royalties, fees, commissions, dividends, and other emoluments, however designated, all without any deduction on account of the cost of tangible property sold, the cost of materials used, labor costs, interest, discount, delivery costs, taxes, or any other expense whatsoever paid or accrued without any deduction on account of losses.

"Gross receipts" has the same meaning as gross income.

H. H Definitions:

"Home-based business" means a business, profession, occupation, or trade conducted for gain or support and located entirely within a residential building or a building accessory thereto, which use is accessory, incidental, and secondary to the use of the building for dwelling purposes and does not change the essential residential character or appearance of such building. The intent of this definition is to maintain consistency with home occupations as set forth in this chapter herein and under MMC 16.31.010.

I. I Definitions: *reserved*.

J. J Definitions: *reserved*.

K. K Definitions: *reserved*.

L. L Definitions:

"License" means a regulatory license required under the provisions of Subtitle 5.02 of the MMC.

"License certificate" means the certificate issued by the BLS pursuant to Subtitle 5.02 of the MMC.

"License code" means Subtitle 5.02 of the MMC, including any subparts thereof.

"License fee" means the amount charged by the City for the issuance of a regulatory license required under the provisions of Subtitle 5.02 and any subparts thereof.

"Licensee" means any person required to be licensed under Subtitle 5.02 and any subparts thereof.

M. M Definitions:

"MMC" means the Medina Municipal Code.

N. N Definitions: *reserved*.

O. O Definitions: *reserved*.

P. P Definitions:

"Peddling" means the same as door-to-door sales,

"Person" means any individual, receiver, administrator, executor, assignee, trustee in bankruptcy, trust, estate, firm, co-partnership, joint venture, club, company, joint stock company, business trust, municipal corporation, political subdivision of the state of Washington, corporation, limited liability company, association, society, or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise, and the United States or any instrumentality thereof.

"Public official" means any official designated by the Mayor, or his or her designee, authorized to enforce this chapter, including, but not limited to, officials of the Police Department, Fire Department, Public Works Department, Finance Department, or Finance Director's Office charged with the enforcement of a particular portion of this chapter.

Q. Q Definitions: *reserved*.

R. R Definitions:

"Records" means the books of accounts and other business-related records of a licensee subject to the City's Tax Code or License Code. Such records include ledgers; subsidiary ledgers; invoices; receipts; registration and incorporation documents; federal, state and local tax returns; and any other records necessary to establish the amounts due under the provisions of the City's Code.

"Registration" or to "register" means an identification of real properties owned by a person, for which they use, or intend to use, as rental property. "Registration certificate" means a nontransferable certificate issued by the Department required of all persons operating a business under the provisions of Title 5.

S. S Definitions:

"Subtitle 5.02" means Chapter 5.02 along with all subparts thereof.

"Successor" means any person to whom a licensee quitting, selling out, exchanging, or disposing of a business sells or otherwise conveys, directly or indirectly, in bulk and not in the ordinary course of business of the licensee's business, any part of the materials, supplies, merchandise, inventory, fixtures, or equipment of the licensee. Any person obligated to fulfill the terms of a contract shall be deemed a successor to any contractor defaulting in the performance of any contract as to which such person is a surety or guarantor.

T. T Definitions:

"Taxpayer" means any person subject to the provisions of Title 5, regardless of whether they owe or have previously paid taxes to the City.

U. U Definitions: *reserved*.

V. V Definitions:

"Vendor" means any person who exhibits goods or services for sale for the purpose of selling, bartering, trading, exchanging, or advertising such goods or services.

W. W Definitions: *reserved*.

X. X Definitions: *reserved*.

Y. Y Definitions: *reserved*.

Z. Z Definitions: *reserved*.

5.02.040 License fees.

The city fees for application and renewal of the city licenses provided for in this chapter will be set and maintained by the City Manager, as authorized by MMC 3.64.010.

5.02.050 Application.

Application for the licenses provided for in this chapter is made through the Business Licensing Service and must include all information required for issuance of all licenses requested, the total fees due for all licenses requested, and the application handling fee required by RCW 19.02.075.

5.02.060 Separate licenses—When required.

A. A separate license shall be obtained for each branch, establishment, or separate location in which the business, calling, profession, trade, occupation, or activity licensed by this subtitle is carried on.

B. Each different business, calling, profession, trade, occupation, or activity carried on or device situated at any one location shall be described in detail on the application for business license.

C. Each license shall authorize the licensee to carry on, pursue, or conduct only that business, calling, profession, trade, occupation, or activity, or operate the device, vehicle, or thing described in such license, and only at the location or in the manner indicated therein, except as may be specifically provided in this chapter.

D. Any person renting or making available for rent to the public any dwelling unit located within the City limits of Medina is only required to obtain one license for all rental business activity conducted in the City, but shall register each dwelling unit with the City of Medina and include an agreement certifying that each dwelling unit complies with RCW 59.18.060, as adopted by the state, and does not present conditions that endanger or impair the health or safety of the tenants.

5.02.070 Approval and issuance of a license.

The Business Licensing Service (BLS) will provide the contents of a license application to the Finance Director. The Finance Director will review the application together with applicable city officials to determine if the application should be approved. If approved, the Finance Director will authorize issuance of the license through BLS.

5.02.080 Denial of license; Appeal.

If the Finance Director determines that the licenses shall not be approved, the Finance Director shall notify BLS of such denial. Any applicant denied a license, or any person objecting to the issuance of any such license, shall, within ten days after the issuance or denial of such license, appeal said ruling by filing a written notice of appeal. Such notice shall clearly state the grounds that the appeal is based on and be timely filed with the City Clerk. Following expiration of the appeal period, the City Clerk shall then set a date for the hearing of such appeal before the Hearing Examiner of the City. The appeal shall be governed by Chapter 2.72 MMC. The City Clerk shall notify the applicant in the case of a denial, and the objector and applicant in the case of issuance, by mail, of the time and place of hearing.

5.02.090 Display of License

A license issued under this chapter must be displayed in a publicly conspicuous place at the physical location identified on the license. However, that when the licensee's business requires travel from place to place or from house to house, then such license must be carried on the person of such licensee while actually engaged in the licensed occupation, business, or trade. Provided, however, that if the person is traveling from place to place or from house to house by vehicle, the person shall display the license on their vehicle so that it is visible when viewed from outside the vehicle.

5.02.100 Advertising unlicensed premises.

No person shall place on a building or property within the city limits of Medina any advertisement about conducting a specific business activity within the building or on the property unless the person conducting the activity has a valid license pursuant to local, state, or federal law. Advertising includes, but is not limited to, any sign, placard, poster, banner, card, or other advertising matter placed, erected, displayed, or maintained on the outside or in close proximity to any building or place, or in the inside in such a manner as it may be seen from the outside thereof.

5.02.110 Renewal.

The licenses provided for under this chapter expire on the date established by the Business Licensing Service (BLS) and must be renewed on or before that date to continue to engage in business in the city after that date.

A. Application for renewal is made through the BLS and must include all information required for issuance of all licenses, the total fees due for all licenses, and the renewal handling fee required by RCW 19.02.075.

B. The term of the license, and the respective city fee therefor may be prorated as necessary to synchronize the license expiration with that of the business account maintained by BLS.

C. Failure to complete the renewal by the expiration date will incur the late renewal penalty required by RCW 19.02.085 in addition to all license fees due.

D. Failure to complete the renewal within 120 days after the expiration date will result in the cancellation of the license, and will require application for a new license, as provided for in this chapter, to continue to engage in business within the city.

5.02.120 Exemptions

In addition to the exemptions provided for in MMC 5.02.030, the following conditions provide for an exemption from either or both the business license requirement of this chapter or the city fee for a city business license, as indicated.

A. For purposes of the license issued under this chapter, any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than the exemption amount set forth below must obtain a business license as provided for in this chapter, but will be exempt from the city fee therefore. The threshold does not apply to regulatory license requirements or activities that require a specialized permit.

1. Exemption Amount. The gross proceeds or gross income of a business for the purposes of this subsection “A” shall be no greater than \$4,000. This exemption amount shall be adjusted periodically as follows:
 - a. This exemption amount will be adjusted every forty-eight (48) months, on January 1, starting January 1, 2030, by an amount equal to the increase in the Consumer Price Index (“CPI”) for “West Urban, All Urban

Consumers" (CPI-U) for each 12-month period ending on June 30, as published by the United States Department of Labor Bureau of Labor Statistics or successor agency.

- b. To calculate this adjustment, the current rate will be multiplied by one plus the cumulative four-year (forty-eight (48) months) CPI increase using each 12-month period ending on June 30 of each prior year, and rounded to the nearest \$100. However, if any of the annual CPI increases are more than five percent (5%), a five percent (5%) increase will be used in computing the annual basis and if any of the annual CPI decreased during the forty-eight (48) month period, a zero percent (0%) increase will be used in computing the annual basis.

B. Persons, businesses, and organizations, other than those identified in subsection C. below, which are viewed as nonprofit and have been granted a federal tax exemption by the Internal Revenue Service under a provision of 26 USC § 501(c), must obtain a business license as provided for in this chapter, but will be exempted from the city license fee if they submit proof of their federal tax exemption determination letter.

C. Religious organizations which qualify for a federal tax-exempt status under 26 USC § 501(c)3, but for which the Internal Revenue Service assumes that status and does not normally provide a determination letter, are fully exempted from the requirements of this chapter when performing their core religious activities only. If such organizations conduct other business activities than only their core religious activities those other activities will be subject to all licensing requirements of this chapter.

D. The following are all fully exempt from the requirements of this chapter.

1. Delivery in the City of any property purchased or acquired outside the City where no intent is shown to exist to evade the provisions of this chapter.
2. Casual or isolated sales made by persons who are not otherwise engaged in the business of selling the type of property involved is fully exempted from the requirements of this chapter. Casual sales include garage sales, lawn sales, attic sales, rummage sales, flea market sales, or any other similar casual sale of tangible personal property conducted on an infrequent basis, not to exceed three times per each calendar year and three days per event.
3. Minors engaged in babysitting, delivery of newspapers, or engaged in other small businesses such as a lemonade stand.
4. Any farmer or gardener who sells, delivers or peddles any fruit, vegetables, berries, butter, eggs, fish, milk, poultry, meats, or any farm produce or edibles raised, caught, produced, or manufactured by such person in any place in this state, subject to Health Department regulations for sanitation, permits, and inspections, where applicable.
5. Municipal, state, or federal agencies or employees acting on behalf of that agency.

6. A person employed in the City by a person engaged in business in the City, if the employer is licensed pursuant to this chapter to conduct a business in the City.

7. A person transacting and carrying on a business exempt from City licensure by virtue of the Federal or State Constitution or state law.

5.02.130 Nontransferability - Business changes.

The licenses issued under this chapter are personal to the person to which it was issued and for the location identified on the license. A person may only conduct business in the city under their own license, and a license may not be transferred to another person. A person may not allow another person to conduct business activities under their license, and a person may not conduct business under another person's license.

A. If a person wishes to change the physical location of their business within the city they must notify the Business Licensing Service sufficiently prior to the change to allow the city to review and approve the new location. A person may not commence their business at a new location in the city until the city has approved the change. Such a change of location may require submitting a new application for license as provided for in this chapter.

B. In the event of a change in ownership of a business, the acquiring owner must obtain their own license for the business, as provided for in this chapter, before commencing business in the city with that acquired business.

C. In case of the death of any licensee before the expiration of his or her license, his or her administrator or executor, duly appointed as such by order of court, may continue to act under said license for the unexpired term thereof upon filing with the City proof of such appointment.

5.02.140 Refunds.

Money paid to the city through the Business Licensing Service or otherwise, made in payment for city licensing fees, is not refundable through the city even though the licensee failed to complete all or any portion of a license's term. Provided, any money paid to the city to pay a city fee imposed by this chapter, but paid through error or otherwise not due for any city fee imposed by this chapter, will be, upon request of the payor, refunded to the payor by the city.

5.02.150 Promulgation of rules and regulations.

The Finance Director for the city is authorized to adopt, publish and enforce, from time to time, such rules and regulations for the proper administration of this chapter as may be necessary, and it is a violation of this chapter to fail to comply with any such rule or regulation lawfully promulgated under this chapter.

5.02.160 Suspension or revocation; Appeal.

A. The Finance Director shall have the power and authority to suspend or revoke any registration or license issued under the provisions of this title. The Finance Director shall notify such licensee in writing by certified mail or hand delivery of the suspension or revocation of his or her license or registration and the grounds therefor. Any license or registration issued under this title may be suspended or revoked based on one or more of the following grounds:

1. The registration was procured by fraud or false representation of fact, including, but not limited to, the existence of owners who were not identified on the application.

2. The licensee has failed to comply with any provisions of this title.

3. The licensee has failed to comply with any provisions of the MMC.

4. The licensee is in default in any payment of any license fee or tax under Title 5.

5. The licensee or employee has been convicted of a crime involving the business.

6. Licensee's continued conduct of the business for which the license or registration was issued will result in a danger to the public health, safety, or welfare by reason of any of the following:

i. The licensee, his/her employee or agent has committed a crime or other violation of law, which bears a direct relationship to the conduct of the business under the license or registration issued pursuant to this title. The Finance Director may consider any relevant violation of law regardless of whether the same act was charged as a civil infraction or crime or resulted in a finding of committed or conviction or if it is deferred or subject to pretrial diversion. If a licensee appeals such a suspension, revocation, or denial of a license or registration under this subsection, the violation must be proved by a preponderance of the evidence. Provided, however, that a finding of not committed on a civil infraction or a verdict of not guilty on a criminal charge precludes use of that act as a basis for a violation under this chapter.

ii. The licensee, or his/her agents or employees, have in the conduct of the business, violated any local, state, or federal law relating to public health or safety.

iii. The conduct of the business for which the license or registration was issued has resulted in the creation of a public nuisance as defined in the MMC or in state law.

iv. The tolerance of a public nuisance or criminal activity, as defined in local, state, or federal law, for which the business owner or operator can reasonably control or prevent.

7. For any reason that would justify denial or disqualification of a license under Section 5.02.190.

B. Any licensee may, within ten days from the date that the suspension or revocation notice was mailed to the licensee, appeal such suspension or revocation by filing a written notice of appeal ("petition") setting forth the grounds therefor with the Finance Director. The hearing shall be conducted in accordance with the procedures for hearing contested cases set out in MMC 2.72. The Hearing Examiner shall set a date for hearing said appeal and notify the licensee by mail of the time and place of the hearing. After the hearing thereon the Hearing Examiner shall, after appropriate findings of fact and conclusions of law, affirm, modify, or overrule the suspension or revocation and reinstate the license or registration, and may impose any terms upon the continuance of the registration.

No suspension or revocation, under this subsection, of a license or registration issued shall take effect until ten days after the mailing or hand delivery of the notice thereof by the Finance Director and, if appeal is taken as herein prescribed, the suspension or revocation shall be stayed pending final action by the Hearing Examiner. All licenses or registrations which are suspended or revoked shall be surrendered to the City on the effective date of such suspension or revocation. The decision of the Hearing Examiner shall be final. The licensee and/or the Finance Director may seek review of the decision by the Superior Court of Washington in and for King County within 21 days from the date of the decision. If review is sought as herein prescribed, the suspension or revocation shall be stayed pending final action by the Superior Court. Upon revocation of any license or registration as provided in this subchapter, no portion of the license fee shall be returned to the licensee.

5.02.170 Summary suspension; Appeal.

A. Where conditions exist that are deemed hazardous to life or property, or where the owner or his or her employee or agent has knowingly permitted a violation of the uniform controlled substances act, a violation of any law against gambling, or a violation of any law against prostitution within the business, the public official in charge is authorized to immediately stop such hazardous conditions that are in violation of this code, up to and including closing the business operation. Such order and demand may be oral or written.

B. At the time the Finance Director notifies the licensee of the summary suspension, either by mail or hand delivery, the Finance Director shall also schedule a hearing to be held within three business days from the date of the notice of summary suspension. Where an oral summary suspension is ordered or demanded by a public official, the Finance Director shall schedule a hearing to be held within three business days from the date of the summary suspension and the licensee will be notified by mail, facsimile, email, personal service or hand delivery. Such notices shall state the time and place of the hearing.

The hearing shall be held before the Finance Director. The decision of the Finance Director shall be final. The licensee may, within ten days from the date of the Finance Director's decision, appeal such suspension or revocation by filing a written notice of appeal ("petition") setting forth the grounds therefor with the Finance Director. The hearing shall be held by the City Hearing Examiner and conducted in accordance with the procedures for hearing contested cases set out in MMC 2.72. The Hearing Examiner shall set a date for hearing said appeal and notify the licensee by mail of the time and place of the hearing. After the hearing thereon the Hearing Examiner shall, after appropriate findings of fact and conclusions of law, affirm, modify, or overrule the summary suspension and reinstate the license or registration, and may impose any terms upon the continuance of the license.

The decision of the Hearing Examiner shall be final. The licensee and/or the Finance Director may seek review of the decision by the Superior Court of Washington in and for King County within 21 days from the date of Hearing Examiner's decision.

5.02.180 Statute of limitations—Unlicensed licensees.

With regard to unlicensed licensees, no assessment or correction of an assessment for additional fees and penalties may be made due by the Finance Director more than four years after the close of the calendar year, except upon showing of the licensee's failure to file a license application as and when required under this chapter, which failure to file a license application resulted from the licensee's willful and fraudulent intent to avoid payment of the required fees.

5.02.190 Grounds for disqualification of licensees.

Pursuant to the provisions of this subtitle, no license shall be issued to the following persons:

- A. Any minor under 18 years of age.
- B. Any person who, if licensed, is likely to present a danger to the public health, safety, or welfare by reason of any of the following:
 - 1. The applicant or his or her employee or agent has committed a crime or other violation of law which bears a direct relationship to the conduct of the business under the license issued pursuant to this title. The Finance Director may consider any relevant violation of law regardless of whether the same act was charged as a civil infraction or crime or resulted in a finding of committed or conviction or if it is deferred or subject to pretrial diversion. If a licensee appeals such a denial of a license under this subsection, the violation must be proved by a preponderance of the evidence. Provided, however, that a finding of not committed on a civil infraction or a verdict of not guilty on a criminal charge precludes use of that act as a basis for a violation under this chapter.

2. The applicant has had a similar license revoked or suspended pursuant to the provisions of Section 5.02.150 above or has had a similar license revoked or suspended by any other administrative authority.

3. The Finance Director has reasonable grounds to believe applicant to be dishonest or to desire such license to enable applicant to practice some illegal act or some act injurious to the public health or safety.

C. Any person who is not qualified under any specific provision of this subtitle for any particular license for which application is made.

D. The Finance Director may deny a license if:

1. The applicant or his or her employee or agent has committed a series of crimes or other violations of law that show a disregard for the law and the Finance Director reasonably concludes, based on this conduct that the applicant will not comply with the provisions of this title or other applicable laws applicable to the operation of the business. The Finance Director may consider any relevant violation of law, regardless of whether the same act was charged as a civil infraction or crime or resulted in a conviction or finding of committed, or if it is deferred or subject to pretrial diversion. If a licensee appeals such a denial of a license under this subsection, the violation must be proved by a preponderance of the evidence. Provided, however, that a finding of not committed on a civil infraction or a verdict of not guilty on a criminal charge precludes use of that act as a basis for a violation under this chapter.

2. For any reason that would justify denial of the license under this Chapter.

3. When the Finance Director reasonably concludes that the applicant will not comply with the provisions of this title or other applicable local, state, or federal laws applicable to the operation of the business or that the operation of the business is likely to endanger public health or safety. The Finance Director may consider any relevant matter, including illegal activity associated with the applicant's operation of another business, or the conduct of the applicant's patrons or employees inside or outside a similar business operated by the applicant.

5.02.200 Notice of right to suspend or revoke.

Every license issued pursuant to the provisions of this subtitle shall state thereon, in substance, that such license is issued in consideration of the fee paid therefor and that the same is subject to suspension or revocation in the manner provided in this chapter.

5.02.210 Violation – Penalty.

If any person, firm or corporation subject to this chapter fails to pay any city-imposed fee required by this chapter within 30 days after the due date thereof, there may be added to such fee a penalty of 15 percent of the amount of such fee and any fee due

under this chapter and unpaid, and all city-imposed penalties thereon, will constitute a debt to the city and may be collected by court proceedings, which remedy will be in addition to all other remedies.

5.02.220 Severability.

If any provision of this Subtitle 5.02 or its application to any person or circumstance is held invalid, the remainder of the subtitle or the application of the provision to other persons or circumstances shall not be affected.

Section 3. Section 5.04.020 of the Medina Municipal Code is hereby amended to read as follows:

5.04.020 License required.

After April 1, 1975, no person, firm or corporation shall engage in or carry on any business, occupation, act or privilege for which a tax is imposed by MMC 5.04.030 without first having obtained, and being the holder of, a license to do so, to be known as an occupation license. Such license is separate from and in addition to the general business license issued under Chapter 5.02 MMC, which may also be required when applicable. Each such person, firm or corporation shall promptly apply to the city clerk for such license upon such forms as the clerk shall prescribe, giving such information as the clerk shall deem reasonably necessary to enable said clerk's office to administer and enforce this chapter; and, upon acceptance of such application by the clerk, said clerk shall thereupon issue such license to the applicant. Such occupation license shall be personal and nontransferable and shall be valid as long as the licensee shall continue in said business and shall comply with this chapter.

Section 4. Section 5.06.020 of the Medina Municipal Code is hereby amended to read as follows:

5.06.020 Franchise fees – Amount.

A. All persons given a grant pursuant to a franchise, license, permit or other authorization to use and occupy the public rights-of-way to provide services, whether or not such services are provided to the general public, shall, in consideration for such grant and to the extent the city may lawfully require such persons to do so, pay franchise fees to the city in accordance with the terms and conditions of the applicable franchise agreement, license, permit or other authorization.

B. Except as may be otherwise provided in the franchise, license, permit or other authorization, the obligation of such person to pay such franchise fees to the city shall survive the expiration, termination or revocation of the franchise, license, permit or other authorization and shall be in full force and effect until such time as a new franchise, license, permit or other authorization granting use and occupancy of the public rights-of-

way becomes effective or such person removes its facilities, if any, from the public rights-of-way.

C. Franchise fees imposed pursuant to this section that are imposed upon gross revenues derived from services provided within the city shall not exceed a percentage of four percent of such gross revenues. Franchise fees imposed upon gross revenues derived from services provided within the city pursuant to a franchise, license, permit or other authorization granted prior to the effective date of the ordinance codified in this section shall not be assessed or collected to the extent such franchise fees exceed four percent of such gross revenues.

D. The franchise provided for in this chapter is separate from and in addition to the general business license issued under Chapter 5.02 MMC, which may also be required when applicable.

Section 5. Section 5.08.030 of the Medina Municipal Code is hereby amended to read as follows:

5.08.030 Franchise grant.

It is unlawful to engage in or commence construction, operation or maintenance of a cable system in the city without a franchise issued under this chapter. The city council may, by ordinance, issue a nonexclusive franchise to construct, operate and maintain a cable system within all or any portion of the city to any person or entity, whether operating under an existing franchise or not, who applies for authority to furnish cable service which complies with the terms and conditions of this chapter; and provided, that such person or entity also agrees to comply with all of the provisions of the franchise. However, this shall not be deemed to require the grant of a franchise to any particular person or entity. The city council may restrict the number of franchises should it determine such a restriction would be in the public interest. The franchise provided for in this chapter is separate from, and in addition to the general business license issued under Chapter 5.02 MMC, which may also be required when applicable.

Section 6. Section 16.31.010 of the Medina Municipal Code is hereby amended to read as follows:

16.31.010 Home business.

- A. *Permissive use.* A home business is permitted within a single-family dwelling provided it meets all the standards and requirements of this section. Home business is defined in MMC 16.12.090. Activities not able to meet all the standards and requirements of this section may be performed in non-residential zone districts of the city if otherwise allowed under the MMC.
- B. License required. A home business must both obtain a business license issued under Chapter 5.02 MMC, and complete all permitting processes required to conduct the home business, and upon which issuance of the business license is dependent.

C. *Standards.* Every home business shall meet the following standards:

1. The home business shall be clearly incidental and secondary to the use and function of the single-family dwelling as a residence.
2. All external indications of or impacts from a home business shall be compatible with the residential character and nature of the neighborhood.
3. The home business shall not cause or result in material changes in neighborhood safety, traffic, number or frequency of vehicle trips, parking demand or parking requirements.
4. The following are prohibited in connection with a home business: signs; noise; smoke or odors detectable outside the dwelling; retail trade; pickup and delivery; external structure modifications; and exterior lighting.

CD. *Requirements.* Every home business shall meet the following requirements:

1. The home business shall be located and operated wholly within the single-family dwelling.
2. No more than one person may be employed who is not a family member residing in the residence.
3. Any employee, client(s) and family members shall use off-street parking exclusively.
4. Not more than two vehicles owned or operated by an employee and/or a client shall be parked on the premises at any time.
5. All required local, regional, state, and federal permits and licenses shall have been obtained and shall be current and valid.
6. All required permits and authorizations for the dwelling structure and other attributes of the property and premises shall have been issued by the city and be in current compliance with the Medina Municipal Code.

DE. *Exclusions.* The following activities are not allowed as a home business:

1. Storage, receipt or transfer of equipment, materials, and commodities.
2. Stables, kennels, or husbandry of animals; any activities involving any exotic animal or farm animal; activities that are not permitted by MMC chapter 6.04.
3. Agriculture farming and sales activities.
4. Vehicle repair, automobile detailing or automotive servicing activities.
5. Production or storage of any hazardous waste or substance.
6. Any nonconforming use, however or whenever established.
7. Any activity that is prohibited by the Medina Municipal Code.

EF. *Enforcement.* Pursuant to MMC 16.10.040 and 16.10.050, the director shall apply the provisions of this section to the activities of a home business whenever necessary or appropriate to determine whether the home business meets the requirements and

standards of the Medina Municipal Code, and shall issue findings and a decision thereon.

Section 7. Severability. If any section, sentence, clause, or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity of any other section, sentence, clause, or phrase of this ordinance.

Section 8. Publication. This Ordinance shall be published by an approved summary consisting of the title.

Section 9. Corrections. Upon the approval of the city attorney, the city clerk, and/or the code publisher is authorized to make any necessary technical corrections to this ordinance, including but not limited to the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any reference thereto.

Section 10. Effective Date. This ordinance shall take effect five days after publication as provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF MEDINA ON THE XX DAY OF XX 2025 BY A VOTE OF X FOR, X AGAINST, AND X ABSTAINING, AND IS SIGNED IN AUTHENTICATION OF ITS PASSAGE THE XX DAY OF XX 2025.

Jessica Rossman, Mayor

Approved as to form:
Inslee Best Doezie & Ryder, P.S.

Attest:

Jennifer R. Robertson, City Attorney

Aimee Kellerman, City Clerk

PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO.: / AB