CITY COUNCIL
AGENDA REPORT

SUBJECT: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CALEXICO AMENDING CHAPTER 5.20 "LICENSE RATES" TO SET THE BUSINESS LICENSE TAX RATE FOR TAXICAB COMPANIES

AGENDA DATE: November 18, 2008

PREPARED BY: Ralph Velez, City Manager

APPROVED FOR AGENDA BY: Ralph Velez, City Manager

RECOMMENDATION: Introduce ordinance by way of title only, waive full reading of the ordinance.

FISCAL IMPACT: Increased business license revenues to the City.

CURRENT DISCUSSION: The draft ordinance proposes a clarification to the Calexico Municipal Code to charge a business license tax on a per company and per taxi permit basis. The City Council is charged with the authority to regulate and approve taxicab permits to taxi companies within the City. Currently, there are 45 taxi permits issued to three different taxicab companies (15 permits per company). This ordinance clarifies that each company must pay $25 per quarter to operate a taxi company within the City and also the company must pay $25 per quarter per taxi permit issued to such company. This rate is fair due to the fact that taxicabs operate in the public right of way and require City regulation to operate. Staff has polled other cities and the rates that are charged to taxi companies. Most cities do charge on a per taxi permit basis and the $25 per quarter is within a reasonable range of the other cities polled.

Pros: Increased business license tax revenue to go to the general fund for the impact on general services of the City due to taxicab operation and some cost recovery for the regulation of the taxi cab companies.

Cons: If the City does not pass this ordinance, the City will miss out on the opportunity to capture some cost recovery for the time and services needed to regulate these companies and to be used towards the general services impacted by taxicab companies.

Attachment: Ordinance

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CALEXICO AMENDING CHAPTER 5.20 "LICENSE RATES" TO SET THE BUSINESS LICENSE TAX RATE FOR TAXICAB COMPANIES

WHEREAS, taxicabs operate in the public right of way and are licensed and regulated by the City pursuant to the Calexico Municipal Code; and

WHEREAS, the license rates to taxi companies have not been changed for a number of years; and

WHEREAS, the City Council now wishes to set a rate to be charged on a per taxicab permit basis.

NOW, THEREFORE, the City Council of the City of Calexico does ordain as follows:

SECTION 1. That the above-listed recitals are true and correct.

SECTION 2. Chapter 5.20, Section 5.20.170 is hereby amended to read as follows:

"5.20.170 Twenty-five dollars per quarter.

The sum of twenty-five dollars per quarter shall be charged for every person, firm or corporation conducting, carrying on or engaged in any of the following businesses, professions or occupations as specified below:

Accountant or auditor;

Architect;

Assayer;

Attorney at law;

Auto parking lot;

Auto rental agency;

Auto storage garage;

Bond and stock broker;

Chemist;

Chiropodist;

Chiropractor;

Civil, electrical, chemical or mechanical engineer;

Commission merchant or broker. For the purposes of this chapter, "commission merchant" or "broker" means the business of buying or selling meats, provisions, produce, food products, goods, wares or merchandise, drugs or medicines, jewelry or precious metal as a broker or agent for the owner or consignee thereof, for a fee or commission, whether or not the operation of such business customarily includes the actual possession, custody or control of such goods, wares or merchandise;

Customhouse or internal revenue broker;

Dairy;

Dentist;

Gasoline delivery or selling: selling or delivering gasoline or petroleum products by means of tank truck or other vehicles, for each vehicle;

Ice cream manufacturing or selling: manufacturing or selling at wholesale ice cream or similar products;

Ice delivery: ice delivery by truck or other vehicle, for each vehicle;

Insurance broker or agent;

Laundry, collector of: conducting, managing or carrying on the business of collecting articles to be laundered at a plant operated by steam or other motive power;

Laundry, steam or power driven; a steam or power driven laundry plant;

Milk delivery;

Oculist;

Optician;

Optometrist;

Osteopath;

Physician and surgeon;

Real estate broker;

Selling, buying or otherwise dealing in cotton: buying, selling or otherwise dealing in cotton as cotton brokers or factors, cotton oil or cotton oil mills;

Sign advertising, billboards: sign advertising by means of billboards or advertising signboards;

Taxicabs: $25.00 per quarter per taxicab company and $25.00 per quarter per each taxicab permit issued to a taxi company;

Undertaker, embalmer or funeral director;

Vehicles from without city. Except as otherwise provided in this chapter, for every person, firm or corporation not having a fixed place of business within the city conducting, managing or carrying on the business of running, driving or operating any automobile, automobile truck, automobile tank wagon, or other vehicle used for the transportation, selling at wholesale, collection or delivery of goods, wares, merchandise or other personal property of any kind from a vehicle, either as his or its principal business, or in connection with any other business, or for soliciting for work, labor or services to be performed upon the public street, in or from a vehicle, or to be performed on goods, wares, merchandise or other personal property to be taken for such purpose to a plant or establishment inside or outside of the city limits, the business fee shall be ten dollars per quarter per each vehicle;

Veterinary."

SECTION 3: This ordinance will take effect thirty (30) days after the date of its passage and adoption.

SECTION 4: If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect the validity of the remainder of the Ordinance. The Council hereby declares that it would have adopted this Ordinance, and each section, subsection, sentence, clause, phrase or portion hereof, irrespective of that fact that any one or more sections, subsections, sentences, clauses, phrases or portions be declared invalid or unconstitutional.

SECTION 5. The City Clerk shall certify to the adoption of this Ordinance and shall cause this ordinance, or a summary thereof, to be published as required by law.

PASSED, APPROVED AND ADOPTED this _____ day of December, 2008.

_____

Louis Fuentes

Mayor

ATTEST:

_____
Lourdes Cordova
City Clerk

APPROVED AS TO FORM:

_____
Jennifer M. Lyon
City Attorney

I, Lourdes Cordova, City Clerk of the City of Calexico and ex-officio Clerk of the Council, do hereby certify under penalty of perjury that the foregoing is a true and correct copy of Ordinance No. _____ that was duly and regularly introduced at a regular meeting of said City Council held on _____, 2008 and was adopted by said City Council at a regular meeting held on _____, 2008, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Lourdes Cordova, City Clerk