

## **ORDINANCE NO. 1739**

**AN ORDINANCE OF THE CITY OF BONNEY LAKE, RELATING TO BUSINESS LICENSING, AMENDING CHAPTER 5.08 OF THE BONNEY LAKE MUNICIPAL CODE (BLMC) TO CLARIFY AND EXPOUND UPON THE CITY'S APPLICATION AND BUSINESS LICENSE REQUIREMENTS AND TO REFLECT THE UPDATED MINIMUM BUSINESS THRESHOLD FOR OUT-OF-CITY BUSINESS LICENSES; ADDING A NEW SECTION 5.08.015, REGARDING THE ADMINISTRATION OF CHAPTER 5.08 BLMC; AMENDING SUBSECTION 5.08.020.B OF THE BLMC TO CLARIFY THAT INDEPENDENT CONTRACTORS ARE INCLUDED WITHIN THE DEFINITION OF PERSON; ADDING A NEW SUBSECTION 5.08.020.D OF THE BLMC TO DEFINE HOME OCCUPATIONS; ADDING A NEW SUBSECTION 5.08.020.E OF THE BLMC TO DEFINE THE BUSINESS LICENSE SERVICE PROVIDED BY THE WASHINGTON STATE DEPARTMENT OF REVENUE; ADDING A NEW SECTION 5.08.045 TO THE BLMC, RELATING TO HOME OCCUPATIONS; ADDING A NEW SECTION 5.08.048 TO THE BLMC TO ESTABLISH THE BUSINESS LICENSE APPLICATION PROCESS; ADDING A NEW SUBSECTION TO 5.08.070 TO THE BLMC TO DECLARE CONDUCTING BUSINESS WITHOUT A CITY LICENSE TO BE A PUBLIC NUISANCE; ADDING A NEW SECTION 5.08.080 TO THE BLMC RELATING TO THE REVOCATION OR SUSPENSION OF A CITY BUSINESS LICENSE; ADDING A NEW SECTION 5.08.090 TO THE BLMC TO ESTABLISH AN APPEALS PROCESS FOR THE DENIAL, REVOCATION OR SUSPENSION OF A CITY BUSINESS LICENSE; ADDING A NEW SECTION 5.08.100 TO THE BLMC , RELATING TO THE EFFECT OF A BUSINESS LICENSE REVOCATION OR SUSPENSION; ADDING A NEW SECTION 5.08.110 TO THE BLMC, RELATING TO THE SALE OR TRANSFER OF A CITY BUSINESS; ADDING A NEW SECTION 5.08.120 TO THE BLMC, REGARDING NOTICE OF TERMINATION OF BUSINESS ACTIVITIES; AND REPEALING SECTION 18.22.010 OF THE BLMC RELATING TO HOME OCCUPATIONS; PROVIDING FOR SEVERABILITY AND CORRECTIONS; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Bonney Lake is committed to protecting the public health, safety, and welfare of its residents and visitors; and

**WHEREAS**, pursuant to Revised Code of Washington (RCW) 35.90.080, the cities of Washington State, working through the Association of Washington Cities (AWC) and a model ordinance development committee, adopted a model ordinance of general business license requirements, which the cities were required to adopt by January 1, 2019 (the "Model Ordinance"); and

**WHEREAS**, the Model Ordinance includes mandatory provisions that all cities must impose as a general business license requirement, including but not limited to a mandatory definition of “engaging in business” and a uniform minimum licensing threshold (or occasional sale exemption) under which a person is relieved of the requirement to obtain a city’s general business license (the “Minimum Threshold”); and

**WHEREAS**, the City incorporated the mandated provisions of the Model Ordinance in Ordinance 1602, effective November 8, 2018; and

**WHEREAS**, AWC and a workgroup of cities reviewed and updated the Minimum Threshold in 2024, which updates must be implemented by Washington cities by January 1, 2026; and

**WHEREAS**, in addition to reflecting the updated Minimum Threshold, the City Council desires to update Chapter 5.08 BLMC to include licensing requirements for home businesses and to remove reference to these requirements in Section 18.02.010, relating to zoning; and

**WHEREAS**, the City Council desires to make certain other administrative updates to Chapter 5.08 BLMC, relating to licensing processes and requirements, and to provide an appeal process in the case of denial, suspension or revocation of a business license, as set forth in this Ordinance; and

**WHEREAS**, separate from these administrative changes, the City has received increasing complaints regarding businesses that fail to report unlawful activity to law enforcement and appear to acquiesce to theft and other criminal behavior on their premises; and

**WHEREAS**, the failure of businesses to notify law enforcement of criminal acts, particularly when the business is the victim, impedes the ability of police to solve cases, prevents the identification of suspects, and undermines the safety of the surrounding community; and

**WHEREAS**, the City Council finds that patterns of knowingly failing to report unlawful activity, or discouraging employees from doing so, can contribute to a perception of lawlessness and may invite further criminal activity in the City; and

**WHEREAS**, the City Council further finds that such conduct can constitute a public nuisance when it undermines legitimate law enforcement efforts and negatively impacts neighborhood safety and economic vitality; and

**WHEREAS**, the City Council desires to ensure that all businesses operating in the City are held to a standard of conduct that supports public safety, responsible business practices, and cooperation with law enforcement; and

**WHEREAS**, it is therefore appropriate to adopt a new section of the BLMC to expressly identify grounds for revoking or suspending a business license when a licensee knowingly and repeatedly fails to report criminal activity or discourages employees from doing so; and

**WHEREAS**, the City Council deems it in the public interest to adopt this Ordinance in order to promote and preserve public safety and lawfulness in the City of Bonney Lake.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:**

**Section 1. Findings.** The findings and recitals set forth above are hereby adopted and incorporated herein by this reference.

**Section 2. New Section.** A new section 5.08.015, “Administration of Business License Process,” is hereby added to the Bonney Lake Municipal Code to read as follows:

**5.02.30 Administration of Business License Process.**

A. The administration of this chapter shall be accomplished under the direction of the city administrator, as administered by the Public Services Department. The city administrator and the Public Services Department may make and publish rules of procedure and regulations for the administration of this chapter. It is unlawful to violate or knowingly fail to comply with any such rule or regulation.

B. The city administrator, through the Public Services Department, shall have the authority to:

1. Collect all license fees and issue licenses in the name of the city to all persons qualified under the provisions of this chapter.
2. Adopt application, license, renewal, annual return, and all other necessary or convenient forms and prescribe the information to be provided.
3. Submit applications, when deemed appropriate, to other city officials and department heads for their endorsements thereon as to compliance by the applicant with all city regulations which the officials have the duty of enforcing.
4. Investigate and determine, with the input and endorsement of other city officials and department heads, the eligibility of any applicant for a license, the amount of fees or other amounts due as prescribed herein, and the correctness of data submitted to the city.
5. Notify any applicant of the acceptance or rejection of the application.
6. Ensure that each license is numbered, and shows the name of the licensee, and business address.
7. Enforce the provisions of this chapter.

**Section 3. Amendment.** Subsection 5.08.020.A.3. of the Bonney Lake Municipal Code is hereby amended to read as follows:

### **5.08.020 Definitions.**

In construing the provisions of this chapter, except when otherwise declared, or clearly from the context a different meaning is intended, the following definitions shall be applied:

A. Engaging in Business.

...

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, including within a personal residence or dwelling unit, 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, 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 operating 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.

q. Engaging in home occupation(s).

**Section 4. Amendment.** Subsection 5.08.020.B. of the Bonney Lake Municipal Code is hereby amended to read as follows:

#### **5.08.020 Definitions.**

In construing the provisions of this chapter, except when otherwise declared, or clearly from the context a different meaning is intended, the following definitions shall be applied:

...  
B. "Person" means any individual, firm, partnership, company, corporation, association, independent contractor, receiver, consignee, trustee in bankruptcy, trust, estate, joint venture, club, joint stock company, business trust, society or any group of individuals acting as a unit.

**Section 5. New Subsection Added.** A new subsection section 5.08.020.D. of the Bonney Lake Municipal Code is hereby added to the Bonney Lake Municipal Code to read as follows:

#### **5.08.020 Definitions.**

In construing the provisions of this chapter, except when otherwise declared, or clearly from the context a different meaning is intended, the following definitions shall be applied:

...  
D. "Home occupation" means an occupation, avocation or profession, carried out entirely or in part within a residence or dwelling unit by an occupant of such dwelling unit as an accessory use.

**Section 6. New Subsection Added.** A new subsection section 5.08.020.E. of the Bonney Lake Municipal Code is hereby added to the Bonney Lake Municipal Code to read as follows:

#### **5.08.020 Definitions.**

In construing the provisions of this chapter, except when otherwise declared, or clearly from the context a different meaning is intended, the following definitions shall be applied:

...  
E. “Business Licensing Service” and “BLS” mean the office within the Washington State Department of Revenue providing business licensing services to the City of Bonney Lake.

**Section 7. Amendment.** Subsection 5.08.040.G. is hereby amended to read as follows:

**5.08.040 Exemptions.**

A business license shall not be required for:

...  
G. 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 ~~\$2,000~~, the amount set forth below and who does not maintain a place of business within the city shall be exempt from the general business license requirements in this chapter. The exemption 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 “G” shall be no greater than \$2,000 through December 31, 2025. Beginning January 1, 2026, gross proceeds or gross income of a business for the purposes of this subsection “G” shall be no greater than \$10,000.

2. The business license fee shall not be refundable in the event a business licensed pursuant to this subsection chapter unexpectedly earns less than the ~~\$2,000~~ \$10,000 applicable minimum threshold in this section.

**Section 8. New Section Added.** A new section 5.08.045, “Home Occupations,” is hereby added to the Bonney Lake Municipal Code to read as follows:

**5.08.045 – Home Occupations.**

Home occupations are subject to the following licensing requirements and restrictions:

A. The on-premises retail sale of goods not produced, processed or fabricated in the residence or dwelling unit is prohibited, except for the following sales:

1. Internet, telephone, or mail order sales with off-site delivery; and
2. Nonprofit organizations sponsoring fundraising sales.

B. Home occupations involving the following activities shall be prohibited in residential zones:

1. Auto, watercraft, aircraft and heavy equipment engine repair over 10 horsepower;
2. Auto, watercraft, aircraft and heavy equipment body work or painting;

3. Parking or storage of heavy equipment;
  4. Storage of building materials such as lumber, plasterboard, pipe, paint, or other materials for use off-site; and
  5. Fabrication or repairing of items that cannot be physically carried by an average-sized person.
- C. Home occupations may not be advertised via signage or displays at the premises, except as permitted in BLMC 15.28.070.
- D. No materials, products or equipment may be stored outside a building or other structure on the premises.
- E. No structural alteration may be made which is not customary in residential buildings.
- F. No offensive noise, smoke, dust, vibrations, heat, humidity, glare or other objectionable matter may be produced at the premises. Home occupations must not be visible or audible from any point of the property line of the premises within which the home occupation is being conducted.
- G. Home occupations may not create a public nuisance or otherwise be inconsistent with or in violation of any provision of the Bonney Lake Municipal Code, including but not limited to zoning requirements and restrictions set forth in Title 18 BLMC.
- H. No more than 25 percent of the total gross floor area of the dwelling unit, as defined in Chapter 18.20 BLMC, or 500 square feet of floor area, whichever is less, may be devoted to said home occupation.
- I. Only persons who reside in the dwelling unit may be physically employed at the dwelling unit. Employees who do not reside in the dwelling unit shall not conduct any business activity at the dwelling unit or premises, including but not limited to exchanging personal vehicles for business vehicles, business meetings, picking up supplies, materials, or items for delivery or delivery of the same to the home occupation.

**Section 9. New Section Added.** A new section 5.08.048, “Business License Application and Review Process,” is hereby added to the Bonney Lake Municipal Code, to read as follows:

**5.08.048 – Business License Application and Review Process.**

A. Every person required to have a business license under this chapter must submit a business license application to the Public Services Department. The application must include all information required for each license requested and full fees due, as set forth in Section 5.08.050 and Section 5.08.060 (as applicable). These fees cover license application processing and are nonrefundable in the event the application is denied.

The Business Licensing Service will ensure the application is complete before transmitting the information and appropriate fees to the city for review prior to issuance of a license.

B. The application must include the address of the business, the name and address of the owner, an emergency notification name and phone number, the nature of business conducted, the number of employees, and other information as may be requested by the Public Services Department or the Business Licensing Service to complete the processing of the application

C. By applying for a city business license or renewal of a city business license, an applicant represents that they either meet the qualifications of applicants as set forth in section or have submitted additional information explaining any extenuating circumstances related to the applicant's failure to meet any such qualifications for the city administrator and Public Services Department to consider when determining whether to grant the applicant's license pursuant to this section.

D. The city, upon receipt of an applicant's information, shall cause an investigation and review of the application to be made by the proper city officials and employees, and shall approve or deny issuance of the license within 30 days thereafter; provided, this timeline may be extended in the event the applicant submits additional information to the city to consider pursuant to subsection H of this section.

E. The application shall be denied if the proposed use of premises would be in violation of any city building, safety, fire, health, or land use regulations as determined by the city department charged with the enforcement of said regulations.

F. The city may deny issuance, or renewal, of a business license when the business itself or the licensee, officer or partner thereof, or another person with a legal interest in the license:

1. Has obtained a license or permit related to the business by fraud, misrepresentation, concealment, or through inadvertence or mistake;

2. Has knowingly caused, aided, abetted, or conspired with another to cause any person to violate any of the laws or regulations of the state or the city which may affect or relate to the proposed business, except for federal statutes, rules and regulations relating to cannabis that are in conflict with state law, as long as the business has a current state cannabis license;

3. Has been convicted of, forfeited bond upon, or pleaded guilty to any offenses related to the operation of the proposed business;

4. Has had a license revoked or suspended by the city or another jurisdiction; provided, this section shall not apply if the license that was suspended or revoked was reinstated on appeal or because applicant engaged in corrective action;

5. Has made a misrepresentation or failed to disclose a material fact to the city related to any of the obligations set forth in this chapter;



6. Is indebted or obligated to the city for past due fees or taxes related to the business exceeding four (4) months; provided, that if business is working with the city in good faith to address the issue to the city's satisfaction, the nonpayment of any taxes or fees will not be used as grounds to deny the business license; or

7. Has violated any building, zoning, safety, fire, or health regulation on the premises in which the business is located after receiving warning from the city to refrain from such violations.

G. If an application is denied by the city, the reason for denial shall be given and the applicant may appeal the decision as provided in this chapter.

H. An applicant who does not meet or who is unsure whether they meet the qualifications set forth in this section may submit additional information explaining any extenuating circumstances related to applicant's failure to meet any such qualifications for the city to consider when determining whether to grant the applicant's license. The information must be submitted to the Public Services Department in writing prior to or contemporaneously with applicant's submission of a business license application to the Business Licensing Service. The city may require the person to submit additional background information or may request to meet with the applicant to discuss further. The city will take the information provided by applicant into account when making the decision whether to approve or deny applicant's license.

I. The granting of a business license under this chapter shall not authorize any person to engage in any activity prohibited by federal, state or local law or regulation.

**Section 10. New Subsection Added.** A new subsection 5.08.070.D is hereby added to the Bonney Lake Municipal Code to read as follows:

**5.08.070 Authority of the city – Violations – Enforcement – Penalties.**

...

**D. A business failing to obtain or maintain a currently valid license and yet conducting business within the city is hereby declared to be a public nuisance. Any remedy provided by this code with respect to a public nuisance is in addition to other remedies provided under this chapter.**

**Section 11. New Section Added.** A new section 5.08.080 "Revocation or Suspension of License – Appeal" is hereby added to the Bonney Lake Municipal Code to read as follows:

**5.08.080 – Revocation or Suspension of License.**

A. The city may, at any time, suspend or revoke any license issued under the provisions of this chapter whenever the city has reason to believe that the business, licensee, officer or partner thereof, or another person with a legal interest in the license or business:

1. Has maintained or operated the business in a building, structure, equipment, or location that does not comply with the requirements or standards of the Bonney Lake Municipal Code or that conduct of the business would be in violation of any local, state or federal law, rule

or regulation prohibiting the conduct of that type of business, except for federal statutes, rules and regulations relating to cannabis that are in conflict with state law, as long as the business has a current state cannabis license;

2. Has been convicted of, forfeits bond upon, or pleads guilty to any offenses related to the operation of the licensed business;

3. Desires such license to practice some illegal act or some act injurious to the public health or safety, or that the continued conduct of the business is likely to result in a danger to the public health or safety;

4. Has maintained or permitted the business to be conducted, engaged in, or operated in such manner as to constitute a public nuisance under state or local law or the licensee, or licensee's employees or agents, has engaged in, has permitted or has acquiesced in unlawful drug related activity on the business premises;

5. Has obtained a license or permit related to the business by fraud, misrepresentation, or concealment, or has made a misrepresentation or failed to disclose a material fact to the city related to any of the other obligations set forth in this chapter;

6. Is indebted or obligated to the city for past due fees or taxes related to the business exceeding four (4) months; provided, that if business is working with the city in good faith to address the issue to the city's satisfaction, the nonpayment of any taxes or fees will not be used as grounds to revoke the business license; or

7. Has knowingly and repeatedly failed to report unlawful or criminal activity occurring at the business to law enforcement or has knowingly and repeatedly discouraged or prohibited employees from reporting such activity to law enforcement or allowed employees to refrain from reporting such activity to law enforcement.

a. A business shall not be deemed in violation of this subsection solely because its employees or owners did not personally intervene in or attempt to apprehend the perpetrator(s) of a crime in progress. However, when a business is the victim of unlawful activity, it is expected to promptly notify law enforcement and respond appropriately to lawful inquiries related to the incident. Reporting shall be deemed "prompt" under this section if the crime is reported in progress, upon discovery of the crime, or after the fact as soon as it is practicable and safe to do so.

b. Repeated failures to report unlawful activity, or patterns of discouraging employees from reporting, may contribute to ongoing illegal conduct and is hereby declared to constitute a public nuisance.

B. Return of License Upon Revocation. Whenever any license issued under this chapter is revoked, the licensee shall immediately return the license to the Public Services Department.

**Section 12. New Section Added.** A new section 5.08.090 “Appeal Process” is hereby added to the Bonney Lake Municipal Code to read as follows:

**5.08.090 Appeals.**

A. When the city determines that there is cause for denying, suspending or revoking a business license issued pursuant to this chapter, the city shall notify the applicant or person holding such license of the city’s decision by personal service or by registered or certified mail, return receipt requested, to the address on file. Notice mailed to the address on file shall be deemed received three (3) business days after mailing. The notice shall specify the grounds for the denial, suspension or revocation. The suspension or revocation shall become effective 14 calendar days from the date the notice is delivered or deemed received unless the person affected thereby files a written appeal within such 14-day period as required in this section.

B. Any person aggrieved by a decision of this chapter may, within ten calendar days from the date that the denial, suspension or revocation notice was mailed, appeal such denial, suspension or revocation by filing a written notice of appeal in that form provided by the city (“petition”) setting forth the grounds therefor with the city clerk. The hearing shall be conducted in accordance with the procedures for hearing contested cases set out in Chapter 2.18 BLMC. The hearing examiner shall set a date for hearing said appeal and notify the aggrieved party 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 denial, suspension or revocation and reinstate the license or registration, and may impose any terms upon the continuance of the registration.

C. No suspension or revocation of a license or registration issued pursuant to this chapter shall take effect until ten (10) calendar days after the mailing or hand delivery of the notice thereof by the clerk and, if appeal is taken as herein prescribed, the suspension or revocation shall be stayed pending final action by the hearing examiner.

D. The decision of the hearing examiner shall be final. The appealing party and/or the city may seek review of the hearing examiner’s decision by the Superior Court of Washington in and for Pierce County within 21 calendar days from the date of the decision. If review is sought as herein prescribed, a suspension or revocation shall be stayed pending final action by the Superior Court.

**Section 13. New Section Added.** A new section 5.08.100 “Effect of Business License Suspension or Revocation” is hereby added to the Bonney Lake Municipal Code to read as follows:

**5.08.100 Effect of Business License Suspension or Revocation.**

A. Upon revocation of any license or registration as provided in this chapter, no portion of the license fee shall be returned to the licensee.

B. All licenses or registrations which are suspended or revoked shall be surrendered to the City on the effective date of such suspension or revocation.

**Section 14. New Section Added.** A new section 5.08.110 “Sale or Transfer of Business” is hereby added to the BLMC to read as follows:

**5.08.110 – Sale or Transfer of Business / Change in Location.**

A. A business license issued pursuant to this chapter is personal to the licensee and is nontransferable. Upon the sale or transfer of a business, the license issued to the prior owner or transferor shall automatically expire on the date of such sale or transfer. The new owner must obtain a new business license. A new owner intending to continue such business in the city shall apply for and obtain a new business license pursuant to the procedures established by this chapter prior to engaging in, conducting, or operating the business.

B. A licensee may change the location of the licensed business; provided, the city confirms the legality of the business activity at the new location. To effectuate such a change, the licensee must notify the Business Licensing Service and the Public Services Department of the change in location. The change may require application for a new license for the city to confirm the legality of the business activity at the new location. City approval must be obtained prior to commencing business at the new location.

**Section 15. New Section Added.** A new Section 5.08.120 “Notice of Termination of Business Activities” is hereby added to the BLMC to read as follows:

**5.08.120 – Notice of Termination of Business Activities.**

Any licensee who ceases to engage in business shall so notify the city in writing. A business shall be presumed to continue in operation with the city until the city receives such notice of business activities, and enforcement proceedings may be conducted on the basis of this presumption. There shall be no pro rata refund of the business license fee upon termination of business activities.

**Section 16. Severability.** If any section, sentence clause, or phrase of this Ordinance should be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or unconstitutionality of any other section, sentence, clause or phrase of this Ordinance.

**Section 17. Repeal.** Section 18.22.010 entitled “Home Occupations” of the Bonney Lake Municipal Code is hereby repealed in its entirety.

**Section 18. Publication.** This Ordinance shall be published by an approved summary consisting of the title.

**Section 19. Corrections.** Upon the approval of the city attorney, and/or the city clerk, 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 number, section/subsection, and any reference thereto. Provided, however, that nothing in this

section allows the city attorney, the city clerk, and/or the code publisher to change the intent of this Ordinance.

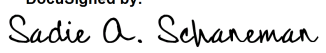
**Section 20. Effective Date.** This Ordinance shall be effective five days after publication as provided by law.

**ADOPTED** by the City Council of the City of Bonney Lake and attested by the City Clerk in authentication of such passage on this 26<sup>th</sup> day of August 2025.

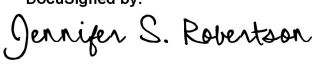
**APPROVED** by the Mayor on this 26th day of August 2025.

Signed by:  
  
339AD7C13E9E492...  
Terry Carter, Mayor

**ATTEST/AUTHENTICATED:**

DocuSigned by:  
  
3E60DC45B4BC451  
Sadie A. Schaneman, MMC, City Clerk

**APPROVED AS TO FORM:**

DocuSigned by:  
  
3CCD924BC20444E  
Jennifer S. Robertson, City Attorney

AB\_25-43  
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This Ordinance totals 13 page(s)

City of Bonney Lake, Washington  
**City Council Agenda Bill (AB)**

<b>Agenda Item Type:</b> Ordinance	<b>Agenda Bill Number &amp; Ordinance/Resolution/Motion Number:</b> AB25-43/Ordinance D25-43	
<b>Department/Division Submitting:</b> Executive Administration	<b>Presenter:</b> City Attorney	<b>City Strategic Goal Category:</b> Public Safety Vision

**Agenda Subject:** Ordinance Related To Business Licensing Including Grounds For Revocation Or Suspension.

**Full Title/Motion:** An Ordinance Of The City Of Bonney Lake, Relating To Business Licensing, Amending Chapter 5.08 Of The Bonney Lake Municipal Code (BLMC) To Clarify And Expound Upon The City’s Application And Business License Requirements And To Reflect The Updated Minimum Business Threshold For Out-Of-City Business Licenses; Adding A New Section 5.08.015, Regarding The Administration Of Chapter 5.08 BLMC; Amending Subsection 5.08.020.B Of The BLMC To Clarify That Independent Contractors Are Included Within The Definition Of Person; Adding A New Subsection 5.08.020.D Of The BLMC To Define Home Occupations; Adding A New Subsection 5.08.020.E Of The BLMC To Define The Business License Service Provided By The Washington State Department Of Revenue; Adding A New Section 5.08.045 To The BLMC, Relating To Home Occupations; Adding A New Section 5.08.048 To The BLMC To Establish The Business License Application Process; Adding A New Subsection To 5.08.070 To The BLMC To Declare Conducting Business Without A City License To Be A Public Nuisance; Adding A New Section 5.08.080 To The BLMC Relating To The Revocation Or Suspension Of A City Business License; Adding A New Section 5.08.090 To The BLMC To Establish An Appeals Process For The Denial, Revocation Or Suspension Of A City Business License; Adding A New Section 5.08.100 To The BLMC , Relating To The Effect Of A Business License Revocation Or Suspension; Adding A New Section 5.08.110 To The BLMC, Relating To The Sale Or Transfer Of A City Business; Adding A New Section 5.08.120 To The BLMC, Regarding Notice Of Termination Of Business Activities; And Repealing Section 18.22.010 Of The BLMC Relating To Home Occupations; Providing For Severability And Corrections; And Establishing An Effective Date.

**Administrative Recommendation:** Approve.

**Short Background Summary:** The City’s Business Licensing Code Is Being Updated Consistent With State Law, To Create A Licensing Requirement For Businesses To Allow Employees To Cooperate With Police When Crimes Occur On Their Premises, To Add Missing Administrative And Procedure Requirements That Are Standard In Most Licensing Codes, To Create Procedures License Revocation And Suspension, And To Create Appeal Procedures For License Holders To Appeal Suspensions, Revocations, Or Denial Of Licenses. After Council Review In Workshop, The Draft Ordinance Was Amended And Is Presented Here. **State Law Update.** The State Law Has Increased The Threshold For “Engaging In Business” From \$2,000 Per Year To \$10,000. This Is The Threshold Under Which A Business Does Not Need To Pay A License Fee (But May Still Be Required To Obtain A Business License). This Threshold Will Be Automatically Indexed To Inflation. (5.08.040.G) **Procedural/Housekeeping Amendments.** The City’s Business License Code Has Been Improved To Add Missing Sections That Are Typically Found In Local Business Licensing Codes. These Include Administration Provisions (5.08.015) To Describe How The City Will Administer The Business Licensing; Clarifications That Businesses Include Those That Are Home Businesses (5.08.020.A.3.B); Clarifying That “Person” Includes “Independent Contractors” (5.08.020.B); Adding “Home Occupation” To The Definition Section (5.07.020.D); Adding A Definition For Business Licensing Service (5.08.020.E); Moving The Standards For Home Occupations From BLMC 18.22.010 To The Business Licensing Code (5.08.045); Procedures Of Business License Application Review (5.08.048); Declaring Operating A Business Without A License To Be A Public Nuisance (5.08.070.D); Procedures Regarding The Sale Or Transfer Of A Business Or Location Change (5.08.110) And For Termination Of Business Activities (5.08.120). **Suspension And Revocation.** In Some Instances, Businesses In The City Of Bonney Lake Have Failed To Report Thefts Or Other Unlawful Activity Occurring On Their Premises Or Have Discouraged Employees From Notifying Law Enforcement When Such Incidents Occur. This Failure To Report, Particularly When The Business Is The Victim, Limits The Ability Of Law Enforcement To Identify Suspects, Detect Crime Patterns, And Pursue Timely Enforcement. When Businesses Choose Not To Share Critical Information, It Can Prevent Positive Breaks In Cases And Hinder The Overall Effectiveness Of Police Investigations. Unaddressed, Repeated Non-Reporting Of Criminal Activity Can Create An Atmosphere Where Unlawful Behavior Is Tolerated, Encouraging Further Criminal Activity And Contributing To Broader Public Safety Concerns. A Business’s Unwillingness To Report Crimes That Occur On-Site May Ultimately Facilitate A Public Nuisance And Negatively Affect Neighboring Businesses, Law-Abiding Patrons, And The City As A Whole. The Bonney Lake Police Department Has Noted That Cooperation From Business Owners Is Essential To Maintaining A Safe And Secure Commercial Environment. To Address These Concerns, The Proposed Ordinance Adds A New Section, BLMC 5.08.080, To Establish Clear Grounds For The City Administrator To Suspend Or Revoke A Business License When A Business Knowingly And Repeatedly Fails To Report Unlawful Activity Or Discourages Employees From Doing So. The Ordinance Makes Clear That Businesses Are Not Required To Physically Intervene In A Crime In Progress But Are Expected To Notify Law Enforcement If The Crime Is Reported In Progress, Upon Discovery Of The Crime, Or After The Fact As Soon As It Is Practicable And Safe To Do So And Respond Appropriately To Lawful Inquiries. The Ordinance Also Contains The Right To Appeal A License Suspension Or Revocation With The Appeal Going To The City’s Hearing Examiner. This Policy Is Intended To Support Public Safety, Reinforce Responsible Business Practices, And Foster Productive Partnerships Between The Business Community And Law Enforcement. In Addition, A New Section Was Added Regarding The Effect Of A Suspension Or Revocation (5.08.100). **Appeal Procedures.** A Business License Is Something That People Can Have A “Property Right” In. Therefore, If A License Is Denied, Revoked Or Suspended, The License Holder Should Have A Due Process Right To Challenge The Action. The City Code Did Not Contain These Procedural Safeguards. Therefore, These Have Been Added At 5.08.090.

**Attachments:** Frequently Asked Questions Sheet, Internal Process Sheet, & Ordinance D25-43.

**BUDGET INFORMATION****Budgeted Amount:**                      **Current Balance:**                      **Expenditure Amount Needed:**                      **Budgeted Balance Difference:****Budget Explanation:****COMMITTEE, BOARD & COMMISSION REVIEW****Public Hearing Date:**                      **Name Of Committee/Commission Public Hearing Was Done At:**

<b>Date &amp; Name Of Committee/ Commission Meeting</b>	<b>Return To Committee/ Commission/Board</b>	<b>Council Workshop Discussion</b>	<b>Consent Agenda</b>	<b>Council Full Issues</b>
Date: Name:	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes	<input type="checkbox"/> Yes
<b>Preparer sent affected Department Director(s) copy of AB</b>		<input checked="" type="checkbox"/> Administrative Services <input checked="" type="checkbox"/> Court <input checked="" type="checkbox"/> Executive <input checked="" type="checkbox"/> Finance <input checked="" type="checkbox"/> Police <input checked="" type="checkbox"/> Public Services		

**COUNCIL ACTION**

Workshop Date(s):    5/20/2025,    8/19/2025

Public Hearing Date(s):

Meeting Date(s):        8/26/2025

Tabled To:

**APPROVALS****Department Director:**  
*John Vodopich***Mayor:**  
*Terry Carter***Date Reviewed By City Attorney (if applicable):**  
July 24, 2025