



City Council Report

Date: November 1, 2021
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Tim Meyer, Business Licensing and Revenue Collections Administrator
Subject: New Business License **(Citywide)**

Recommendation

The purpose of this report is to request City Council approval of the proposed ordinance to add a new Title 5, Chapter 5 of the Mesa City Code entitled and creating a “Business License”.

Background / Discussion

Other local cities and towns have business licenses, Mesa, Tempe and Phoenix do not. Data collected through the business license will be used by City departments, outside partner organizations such as the Chamber of Commerce, and by businesses themselves.

There are multiple uses for the data collected through a Business License. Tax Audit will be able to use the data to find businesses that aren't reporting and remitting transaction privilege tax. Economic Development will be able to know what businesses are here in Mesa and will be able to market City programs to them. Public Safety will have greater insight into what businesses are located within the City and their locations. Code Compliance will have another source of data to search out property owners. And businesses themselves will be able to research other businesses, looking for business partners and locations and clusters of similar businesses.

The ordinance outlines:

- The licensing requirements
- Exemptions, including those from State law
- Notification that fees are set in the City's Schedule of Fees and Charges
- Enforcement and penalties for violation of the Code. Penalties under the Code will not be enforced until one calendar year after the adoption to give businesses time to learn about the license and submit their application.

Fees are proposed separately in the Schedule of Fees and Charges being brought forward for Council consideration by the Office of Management and Budget.

Application Fee - \$10.00
Annual Fee - \$25.00

The Mesa Chamber of Commerce has expressed their support for this proposal.