SCC NO. SCC-1738

AN ORDINANCE OF THE SACRAMENTO COUNTY CODE AMENDING CHAPTER 4.02 RELATING TO GENERAL PROVISIONS

The Board of Supervisors of the County of Sacramento, State of California,

ordains as follows:

SECTION 1. Chapter 4.02, Title 4, of the Sacramento County Code is amended

to read as follows:

CHAPTER 4.02 GENERAL PROVISIONS

4.02.010 Purposes.

The purposes of this Title are to regulate businesses and other enterprises within the unincorporated area of the County in order to ensure compliance with County ordinances and State laws, protect the public, prevent disturbances of neighborhoods and nuisances, and otherwise, protect the health, safety and welfare.

4.02.015 Organization of Title.

The provisions of this Title 4 are organized as follows:

a. This Chapter 4.02 contains introductory and master provisions governing the application of the balance of the Chapters in this Title.

b. Chapter 4.06 establishes, defines the applicability of, and prescribes procedures and the basis for issuance, denial, renewal and revocation of the General Business License.

c. Chapter 4.07 establishes, defines the applicability of, and prescribes procedures and the basis for issuance, denial, renewal and revocation of the Tobacco Retailer License.

d. Chapter 4.10 establishes, defines the applicability of, and prescribes procedures and the basis for issuance, denial, renewal and revocation of the Special Business License and Employee Permits.

e. Chapters 4.14 through 4.50 establish special procedural and substantive regulations applicable to specified enterprises required to obtain a Special Business License and personnel thereof required to obtain Employee Permits.

f. Chapter 4.54 contains regulations and prohibitions applicable to specified enterprises which are not required to obtain a Special Business License, and may or may not be required to obtain a General Business License.

4.02.020 Definitions.

Unless the context indicates otherwise, the definitions of terms contained in Sections 4.02.025 through 4.02.050 shall govern the meaning of those terms as used in this Title.

4.02.025 Definitions—"Employee Permit."

"Employee permit" shall mean a Permit issued by the Sheriff to certain personnel retained as employees, independent contractors or otherwise to perform specified duties or functions by particular types of enterprises required by Chapters 4.10 through 4.50 to possess a Special Business License for the purpose of insuring protection of the public health, safety or welfare.

4.02.030 Definitions—"Fixed Location."

"Fixed location" shall mean a particular place where a business or an enterprise is either regularly conducted or kept open, or is conducted or kept open on four or more days during any consecutive thirty (30)-day period. An enterprise operated from a residence shall be deemed to be conducted at a fixed location.

4.02.035 Definitions—"General Business License."

"General business license" shall mean a license issued by the Director or their designee and required pursuant to the provisions of Chapter 4.06, in order to ensure compliance with specified ordinances, prevent disturbances of neighborhoods and nuisances, and prevent safety hazards.

4.02.040 Definitions—"Person."

"Person" shall mean a sole proprietorship, partnership, corporation, unincorporated association, cooperative, joint venture or other individual or entity carrying on a business or an enterprise for which a Permit or License must first be procured, and shall include any officer, employee, agent or other representative by or through whom the enterprise is operated or conducted, and charitable, philanthropic and other non-profit entities and enterprises as well as those which are for profit.

"Person" shall not include a public agency or any officer, employee or agent thereof while acting in the capacity as such.

4.02.045 Definitions—"Convicted."

"Convicted" or "conviction" in relation to the outcome of criminal charges shall include a plea of nolo contendere.

4.02.050 Definitions—"Special Business License."

"Special business license" shall mean a license issued by the Sheriff or other designated official and required pursuant to the provisions of Chapters 4.10 through 4.50 for specified types of businesses which are potentially injurious to the public interest, are not regulated by the State in such a manner as to preempt local regulation, and which the health, safety and welfare of the community demand be operated by responsible persons in compliance with all laws, including any special regulations applicable to such businesses.

4.02.051 Definitions—"Tobacco Retailer License."

"Tobacco Retailer License" shall mean a license issued by the Director and required pursuant to the provisions of Chapter 4.07.

4.02.055 Definitions—"County Officers."

Whenever reference in this Title is made to "Director" it shall mean the Director of Finance or their designee. "Director" and "Director of Finance," as used in this Title, are interchangeable.

Whenever reference in this Title is made to the Board of Supervisors or any department, office, division, officer or official, the reference shall be deemed to be to, respectively, the Board of Supervisors, or a department, office, division, officer or official of the County.

Whenever in this Title an authority or power is vested in or a duty is imposed upon an officer or official, a County employee subordinate to the officer or official to whom an appropriate delegation has been made shall be entitled to exercise the power or authority and perform the duty.

4.02.060 License Fees.

The Board of Supervisors of the County may, by resolution every five years commencing July 1, 2029, prescribe fees for processing applications and the issuance and renewal of General Business Licenses, Special Business Licenses, Employee Permits, Tobacco Retailer Licenses, and Short-Term Rental Licenses; and fees for the filing of appeals relating to denial for such Permits or Licenses or the suspension or revocation thereof. Such fees shall be for the sole purpose of defraying costs incurred in the administration of this Title and shall be prescribed in amounts yielding revenues which do not exceed the costs of administration by each office and department charged with responsibility under this Title.

To the extent the Board determines to be practical, such fees may be varied in amounts for different types of permits or licenses, types of businesses, issuance and renewal, added costs for processing late renewals, and on the basis of other factors, for the sole purpose of apportioning relative regulatory costs to parties regulated. Effective July 1, 2025, and thereafter each year, no later than May 15th, the Director may authorize, effective July 1st of the same calendar year, an increase of all fees for the Department of Finance, Business Licensing. In applying the increase, if any, the Consumer Price Index (CPI) for All Urban Wage Earners and Clerical Workers using the U.S. City average based on CPI data obtained from the U.S. Department of Labor, Bureau of Labor statistics for the year (April 1st to March 31st) in which the fees are adjusted, shall be utilized. No Director authorized increase shall be in excess of the aforementioned CPI without Board approval. The adjusted fee schedule shall be published by written notice to the Clerk of the Board.

Fees related to the costs which a department incurs in reviewing and acting upon a particular type of application for a license or permit may be made payable within a general fee chargeable by the Director of Finance, or may be charged individually by the department reviewing and acting upon the application as a condition precedent to processing of the approval required from that department.

All fees for the issuance and renewal of permits and licenses shall be paid at the time of and with the filing of the application with the Director or pursuant to a request for approval by a department charged with the responsibility of reviewing the application. All fees for an appeal shall be paid at the time of and with the filing of the written appeal. No application or written request for approval or appeal shall be deemed valid or

complete until all prescribed fees have been paid, unless the Director has granted a fee waiver pursuant to Section 4.02.061.

4.02.061 Fee Waivers for Appeal Hearings

Upon receipt of a request in writing wherein financial inability to pay an appeal fee is expressed, the Director, at their discretion, may grant a fee waiver for an appeal hearing. A written request for a fee waiver shall be submitted in addition to the written request for appeal and written proof or documentation sufficient to establish the applicant's inability to pay the appeal fee within fifteen (15) calendar days of the date on the denial, suspension, or revocation notice must be included.

The applicant for the waiver shall also complete, under penalty of perjury, a County approved application form requiring the applicant to list their current physical street address, or another address where the County can contact the individual as well as their current occupation, employer, and the type of public benefits that he or she is receiving. If there is no receipt of public benefits, the application shall, under the penalty of perjury, list all monthly or yearly income and expenses and a summary of assets and liabilities. Should the appellant not submit the required documentation and application, the fee waiver request shall be denied.

In considering whether to grant or deny an appeal fee waiver, the Director may consider the applicant's financial conditions in accordance with California Government Code sections 68632-68633 as amended by Stats. 2022, Ch. 57, Sec. 6. (AB 199), effective June 30, 2022.

The Director shall, within five (5) business days of receipt of a completed request for a fee waiver, notify the appellant in writing, either by postal or electronic mail, of their decision to approve or deny the fee waiver request. Should the Director deny the fee waiver request, the appellant will then have five (5) business days to submit payment of the required appeal fees. Failure to submit appeal fees within the time prescribed will be deemed a waiver of the right to appeal and the denial, suspension, or revocation will become final.

The decision on the waiver shall become final upon the date of service of the decision by the Director. There shall be no right to appeal the Director's decision to the Board of Supervisors. The time for judicial review of the Director's decision as well as preparation of the record of the administrative hearing is governed by Sacramento County Code, Chapter 1.06.

4.02.065 Transferability.

Neither a General Business License, Special Business License, Employee Permit, Tobacco Retailer License, nor Short-Term Rental License shall be transferable or assignable from one person to another.

Neither a General Business License, Tobacco Retailer License, nor Short-Term Rental License shall be transferable to any location other than the location listed on the face of the license.

Each license shall terminate and be deemed to have no further force or effect upon: (a) a transfer from one person to another of the whole ownership of the business or enterprise; or (b) a change of the whole function for which the permit or license has been issued. During the term of any License the holder shall file in writing with the Director of Finance notice of: (a) the transfer from one person to another of the whole ownership of the business or enterprise, or, (b) a change of the whole function or operation for which the permit or license has been issued.

4.02.070 Transferability—Partial Change in Ownership—Special Business License.

During the term of a Special Business License the holder of the permit or license shall file in writing with the Director notice of each: (i) addition or deletion of a general or limited partner, when the holder is a partnership; (ii) addition or deletion of a joint venture, when the holder is a joint venture; (iii) transfer of more than one-half of one percent of the voting shares of stock, when the holder is a commercial corporation; (iv) change of directors, when the holder is either a commercial or non-profit corporation; (v) change of membership in management committee composed of persons holding ownership interests, when the holder is a partnership or joint venture; (vi) change in membership of a governing body or other board or committee to which management is entrusted, when the holder is an unincorporated association; and (vii) change in president or general manager, vice-president or chief assistant manager, secretary and treasurer, or any officer with equivalent or similar authority. The holder of a license or permit shall provide in writing such detailed information respecting any such change as the Director or Sheriff may require.

A termination of a Special Business License shall be deemed to have occurred whenever the Sheriff determines that effective management or control of the holder has been transferred to a person whose character or business responsibility was not reviewed at the time the license was issued, and when written notice of the Sheriff's determination and of termination of the license is served on the holder. The effective date of termination shall be fifteen (15) days following the date of service of the notice of termination; provided, that in the event an appeal from termination is filed within the time and in the manner prescribed, termination shall occur on the date on which the appeal is finally determined.

4.02.075 Transferability—Partial Change in Ownership—General Business License.

During the term of a General Business License the holder shall file in writing with the Director notice of each: (i) addition or deletion of a general partner, when the holder is a partnership; (ii) addition or deletion of a joint venture, when the holder is a joint venture; and (iii) transfer of more than ten percent of the voting shares of stock, when the holder is a commercial corporation.

A termination of the license shall be deemed to have occurred whenever the Director determines that a change in ownership has occurred when the business is sold or transferred to another person, or if the entity number with the California Secretary of State has changed, and when notice has been given to the business owner either in writing, verbally, or through e-mail and when written notice of the determination and of termination is served upon the holder. The effective date of termination shall be fifteen (15) days following the date of service of the notice of termination; provided that in the

event an appeal from termination is filed within the time and in the manner prescribed, termination shall occur on the date on which the appeal is finally determined.

4.02.076 Transferability—Partial Change in Function—General Business License.

During the term of a General Business License the holder of the permit or license shall file in writing with the Director notice of any change in the business function, operation, or enterprise for which the permit or license has been issued. The holder shall provide in writing such detailed information relating to any alteration in the business function, operation, or enterprise as the Director may require.

A termination of the license shall be deemed to have occurred when the Director determines that any such change materially alters the business function, operation, or enterprise for which the license has been issued in a manner which requires a new investigation of the applicability of or compliance with the laws enforced through the license, and when written notice of the determination and of termination is served upon the holder.

4.02.080 Term.

General Business Licenses shall expire when the person to whom the License is issued ceases operations authorized thereby or upon expiration of its term or upon revocation. The term of a General Business License shall be three years from the date of issuance.

The Director, in their sole discretion, may accept a late renewal application submitted no later than ninety (90) days after expiration of the license term for a General Business License or thirty (30) days after expiration of the license term for a Special, Tobacco, or Short-Term Rental Business License. If the renewal is approved, the original issuance date shall remain, and the term extended from the last date of expiration. A late submission fee may be imposed.

Special Business Licenses, Employee Permits, Tobacco Retailer Licenses, and Short-Term Rental Licenses shall expire when the person to whom the License is issued ceases operations authorized thereby or upon expiration of its term. The term of a Special Business License, Employee Permit, Tobacco Retailer License, and Short-Term Rental License shall be one year from the date of issuance.

4.02.085 Administration.

Except as otherwise provided, the Director is charged with the responsibility of administering General Business Licenses, Tobacco Retailer Licenses, and Short-Term Rental Licenses and shall be authorized from time to time to promulgate and enforce such rules or regulations consistent with the purposes, intent, and express terms of this Title as he or she deems necessary to implement such purposes, intent and express terms.

Except as otherwise provided, the Sheriff is charged with the responsibility of administering Special Business Licenses and shall be authorized from time to time to promulgate and enforce such rules or regulations consistent with the purposes, intent and express terms of this Title as he or she deems necessary to implement such purposes, intent and express terms.

No rules or regulations promulgated by the Director or Sheriff, or amendments thereof, shall be enforced or become effective until thirty (30) calendar days following the date on which the proposed rules or regulations are filed with the Clerk of the Board of Supervisors.

4.02.090 Notices.

Any notice or other writing authorized or required by this Title shall be deemed served and effective for all purposes on the date when it is reduced to writing and is either personally delivered to the party to whom it is directed or is deposited in the United States mail, postage prepaid, and addressed to the party to whom it is directed. When under the provisions of this Title any notice or other writing is authorized or required to be filed, it shall not be deemed to have been filed until it is received in the office of the official with whom filing is required.

Whenever a provision in this Title requires a public hearing to be conducted, notice of the time, date, place and purpose of the hearing shall be served on the applicant or licensee, or their designated representative, not later than ten (10) calendar days in advance of the date of commencement of the hearing or published at least once in a newspaper of general circulation which is published within the County. The same type of notice shall also be served on each Licensee whose License would be affected by the action taken at the conclusion of the hearing.

4.02.095 Hearing Authority.

Whenever the terms "Hearing Authority" are utilized in this Title, they shall be deemed to refer to a person assigned the responsibility of conducting a hearing by the County Executive. The County Executive shall be authorized to assign hearing responsibilities from time to time to either:

a. County management personnel who the County Executive finds are qualified by training and experience to conduct such hearings;

b. Any attorney who the County may employ for the purpose of conducting administrative hearings;

c. Attorneys engaged in practice within the Sacramento Community who are retained by contract to conduct such hearings; or

d. Administrative Law Judges assigned to the State of California Office of Administrative Hearings.

The County Executive is hereby authorized to contract in the name of the County for the retention of hearing services either by attorneys engaged in private practice or the Office of Administrative Hearings at rates which do not exceed those payable by the County for the legal defense of tort liability claims within financial limitations established by the County's annual budget.

4.02.100 Violations.

Except as otherwise specifically provided, pursuant to the provisions of Government Code Section 25132, violation of any of the provisions contained in this Title shall constitute an infraction subject to a fine not exceeding one hundred dollars (\$100) for a first violation; two hundred dollars (\$200) for a second violation of the same

ordinance within one year of the first violation; and five hundred dollars (\$500) for each additional violation of the same ordinance within one year of the first violation.

Violation of any of the following provisions of this Title following service at the enterprise of a written notice by an enforcing official advising of the violation and ordering a cessation thereof, shall pursuant to the provisions of Section 1.01.190 contained in Title 1 of this Code, constitute a misdemeanor: sections 4.06.005, 4.06.006, 4.07.040, 4.10.005, 4.14.015, 4.18.050, 4.22.010, 4.26.005, 4.28.020, 4.29.025, 4.30.005, 4.34.200, 4.34.210, 4.38.205., 4.50.005, 4.50.050, 4.50.130, 4.50.200, 4.50.205, 4.54.260, and 4.58.135. As used in this Paragraph, an enforcing official includes the Sheriff, Director and any other County officer charged with the responsibility of administering the provisions of this Title. Pursuant to the provisions of Section 836.5 of the Penal Code, Business License Inspectors with the Department of Finance and acting under the direction and control of the Director and the Director of Environmental Management shall be authorized to enforce and arrest persons without a warrant for violations of those provisions within those Chapters and Articles of this Title which are assigned, respectively, to the administrative responsibility of the Director of Finance and Director of Environmental Management

Additionally, any violation listed as a misdemeanor, shall pursuant to the provisions of Section 1.01.190 contained in Title 1 of this Code, constitute a misdemeanor and be subject to a sentence of up to six (6) months in the county jail and/or up to \$1,000 in fines for each and every violation. Such violations are declared to be a public nuisance and subject to the penalties associated therewith. Nothing in this chapter shall limit or preclude the enforcement of any other applicable laws or remedies available for violations of this chapter.

Violation of any of the provisions of this Title may be remedied by injunction or other civil proceedings commenced in the name of the County by the County Counsel pursuant to direction by the Board of Supervisors.

4.02.105 Inspection.

The Director of Finance and Sheriff are charged with the responsibility of enforcing the provisions of this Title, and to that end may inspect any and all types or classes of businesses which are by this Title licensed and regulated. The Director of Finance, Director of Environmental Management, Sheriff, Planning Director, and their deputies or subordinate personnel may enter any place of business which is subject to the provisions of this title for the purpose of inspection for compliance with this Title at any time during normal business hours, without advanced notice of the inspection.

Refusal by the owner or license holder, their agent, employee, or representative, to permit inspection, by the County, of the business shall be grounds for revocation of the applicable General, Special, Tobacco, or Short-Term Rental business license(s) and is a misdemeanor violation punishable pursuant to Section 4.02.100.

The Director of Finance and Sheriff may, during the term of a license, require the licensee to complete a license information update form for the purpose of assuring continued compliance with this Title. The licensee shall, within fifteen (15) calendar days of the date of mailing by the Director of such an information form, return the completed form to the Director or to the Sheriff, whichever officer has requested the information update form.

4.02.110 Laws Not Enforced.

There are many ordinances and other laws applicable to enterprises licensed under Chapters 4.06 through 4.50 which are not sought to be enforced under that licensing process. Such laws include, but are not limited to, building, fire, electrical and other Codes, regulations contained in Chapter 4.54 of this Title, and noise control sewage disposal and other health measures. It has been determined that the administrative costs of enforcing such laws would result in fee levels which are so high as to exceed the benefits produced by such enforcement.

Neither the issuance of a General Business License, Special Business License, Tobacco Retailer License, nor a Short-Term Rental License shall be deemed to constitute a representation that the business so licensed or the premises upon which it is situated complies with such ordinances or other laws. Nor shall the existence of such an unrevoked License be deemed to preclude any criminal or civil remedy for violation of such ordinances or laws, including, but not limited to, the closure of the enterprise if otherwise warranted under remedies sought to be invoked. The possession of either a General Business License or Special Business License shall not be deemed to relieve the holder of the requirement to apply for or obtain any other License or Permit required by ordinance or statute.

4.02.115 Standard for Appeals.

On any appeal conducted by a Hearing Authority or the Board of Supervisors relating to the issuance, denial, suspension, or revocation of a General Business License, Special Business License, Employee Permit, Tobacco Retailer License, Short-Term Rental License or other appellate hearing authorized by this Title, the Hearing Authority and Board of Supervisors shall be bound by any and all mandates, proscriptions and factors prescribed for the exercise of original discretion by the officer from whose determination the appeal is taken.

SECTION 2. This ordinance was introduced and the title thereof read at the

regular meeting of the Board of Supervisors on August 6, 2024, and on September 10,

2024, further reading was waived by the unanimous vote of the Supervisors present.

This ordinance shall take effect and be in full force on and after thirty (30) days

from the date of its passage, and before the expiration of fifteen (15) days from the date

of its passage it shall be published once with the names of the members of the Board of

Supervisors voting for and against the same, said publication to be made in a

newspaper of general circulation published in the County of Sacramento.

On a motion by Supervisor Desmond, seconded by Supervisor Kennedy, the foregoing ordinance was passed and adopted by the Board of Supervisors of the County of Sacramento, State of California, this 10th day of September 2024, by the following vote:

Supervisors Desmond, Frost, Hume, Serna, Kennedy AYES:

NOES: None

ABSENT: None

ABSTAIN: None

SAL: None TICAL REFORM ACT (§ 18702.5.)) RECUSAL: Chair of the Board of Supervisors 겁 II II I ATTES Clerk, Board of Supervisors

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of Sacramento County, California

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FILED BOARD OF SUPERVISORS

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In accordance with Section 25103 of the Government Code of the State of California a copy of the document has been delivered to the Chair of the Board of Supervisors, County of Sacramento on 2 Ð

Deputy Clerk, Board of Supervisors