



CITY OF WASHINGTON, ILLINOIS

City Council Agenda Communication

Meeting Date: June 21, 2021

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Agenda Item: First Reading Ordinance – Mobile Vendor Regulations Amendment

Explanation: The City Council adopted an ordinance in November 2019 to allow for mobile vendors (MV) to be located on public property or right-of-way. They are allowed on private property with the consent of the property owner.

An item on the June 14 Committee of the Whole meeting agenda asked for direction on a possible increase in the current annual MV \$25 fee. The consensus was to not increase the fee. However, there was interest in inserting language to require that documentation be submitted proving that the vendor is collecting the appropriate sales tax while making transactions within the city limits. The attached ordinance would require that a business submit its Certificate of Registration from the Illinois Department of Revenue (IDOR) that attests to its collection of the applicable sales and use taxes when operating in Washington.

Additionally, a sentence was added in Chapter 115.30(B) to specify that the MV license is only valid during the calendar year in which the application is submitted. The current regulations do not clearly specify this and some vendors have questioned whether it is valid for a full one-year period or just during the calendar year. Having the licenses be valid during the calendar will ease the administrative burden of tracking numerous expiration dates depending on the original submittal. Finally, redundant language in Chapter 115.30(C) has been deleted.

Fiscal Impact: All MV's are required to collect sales tax at the rate in effect within the city limits and there has been spinoff effects from other businesses experiencing more foot traffic coming in their doors.

Recommendation/

Committee Discussion Summary: The consensus at the June 14 Committee of the Whole meeting was to insert the language pertaining to the submittal of IDOR sales tax documentation to allow for future verification of sales tax collection.

Action Requested: Approval of the attached ordinance. A first reading ordinance is scheduled for the June 21 City Council meeting and a second reading will be scheduled for the July 6 meeting.

ORDINANCE NO. _____

(Synopsis: Adoption of this ordinance would require the submittal of a Certificate of Registration from the Illinois Department of Revenue to allow for verification that mobile vendors are registered with the State of Illinois and are collecting sales tax when operating within the Washington city limits.)

**AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF
THE CITY OF WASHINGTON, ILLINOIS BY AMENDING VARIOUS SECTIONS OF
CHAPTER 115 ENTITLED "HAWKERS, PEDDLERS, TRANSIENT MERCHANTS
AND ITINERANT VENDORS"**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF
WASHINGTON, TAZEWELL COUNTY, ILLINOIS, as follows:**

Section 1. That § 115.30 of the Washington Municipal Code of Ordinances is hereby amended by inserting the following as § 115.30:

§ 115.30 LICENSE AND FEE

- (A) Any Mobile Vendor (MV) who would like to operate a MV within the City of Washington on public right-of-way (ROW) or public property shall submit an application for a Mobile Vendor license.
- (B) A \$25.00 application fee is required to be submitted for any MV who operates within the City of Washington on public ROW or public property. Existing non-home occupation businesses in the City of Washington shall be exempt from paying this fee if a business desires to also operate a MV within the city limits. MV's that are operating either on public ROW or public property during a special event shall be exempt from paying this fee subject to the conditions in § 115.37. *The MV license is only valid during the calendar year in which the application is submitted.*
- (C) ~~A \$25.00 annual fee per MV shall be paid to the City of Washington no later than January 30th each year or if a new license is being requested, the annual fee shall be paid at the time an application is requested. Existing non-home occupation businesses in the City of Washington shall be exempt from paying this fee if a business desires to also operate a MV within the city limits. The annual fee shall only be required for any MV who operates within the City of Washington on public ROW or public property. MV's that are operating either on public ROW or public property during a special event shall be exempt from paying this fee subject to the conditions in § 115.37.~~

Section 2. That § 115.39 of the Washington Municipal Code of Ordinances titled is hereby amended by inserting the following as § 115.39:

§ 115.39 APPLICABLE LAWS

- (A) All MV's shall comply with all laws, rules and regulations, including, but not limited to, the ordinances of the City of Washington, Tazewell County and the laws and regulations of the State of Illinois.
- (B) All MV's shall submit a current Certificate of Registration from the Illinois Department of Revenue attesting to the collection of all applicable sales and use taxes when operating within the Washington city limits.

Section 3. That this ordinance shall be in full force and effect from and after its passage, approval, and publication as provided by law.

Section 4. That all ordinances or parts thereof in conflict herewith are hereby expressly repealed.

PASSED AND APPROVED this _____ day of _____, 2021.

AYES: _____

NAYS: _____

Mayor

ATTEST:

City Clerk