

## **ORDINANCE NO. 24-05**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADDING CHAPTER 6.03 TO TITLE 6 (BUSINESSES) OF THE LAGUNA WOODS MUNICIPAL CODE PERTAINING TO BUSINESS REGISTRATION, AND DETERMINING AND CERTIFYING THAT THE ORDINANCE IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

**WHEREAS**, at the regular meeting on September 20, 2023, the City Council directed the City Manager to draft an ordinance for future consideration by the City Council that would – if adopted by the City Council at a future meeting – require businesses operating from a fixed location in Laguna Woods (excluding home-based businesses) to register with the City; and

**WHEREAS**, staff has drafted the requested ordinance and recommends that the City Council add Chapter 6.03 to Title 6 (Businesses) of the Laguna Woods Municipal Code ("Code Amendments") in order to establish a mechanism to compile a business registry; and

**WHEREAS**, the Code Amendments are intended to promote the City's communication with local businesses and assist the City in identifying and responding to violations of the Laguna Woods Municipal Code; and

**WHEREAS**, on May 15, 2024, the City Council held a duly noticed public hearing on this Ordinance at which it considered all of the information, evidence, and testimony presented, both written and oral.

**THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, DOES ORDAIN AS FOLLOWS:**

**SECTION 1.** The City Council hereby finds and determines that (i) each of the recitals to this Ordinance are true and correct, and are adopted herein as findings; (ii) the Code Amendments comply with all applicable requirements of State law; (iii) the Code Amendments will not adversely affect the health, safety, or welfare of the residents within the community; (iv) the Code Amendments are in the public interest of the City of Laguna Woods; and, (v) the Code Amendments are consistent with the Laguna Woods General Plan and its various elements.

**SECTION 2.** After reviewing the entire project record, the City Council hereby

determines and certifies that this Ordinance is not subject to the California Environmental Quality Act of 1970, Public Resources Code Section 21000, et. seq., as amended and implementing State CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations (collectively "CEQA") pursuant to sections 15060(c)(2) (the activities will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activities are not a project as defined in section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3. CEQA Guidelines Section 15378(b)(2) excludes "[c]ontinuing administrative. . . activities, such as . . . general policy and procedure making" and Section 15378(b)(5) excludes "[o]rganizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment" from its definition of "project."

After reviewing the entire project record, the City Council also hereby determines and certifies that that, even if this Ordinance were subject to CEQA, it would be exempt based on CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

SECTION 3. Chapter 6.03 of Title 6 (Businesses) of the Laguna Woods Municipal Code is hereby adopted to read as set forth in Exhibit A, attached to this Ordinance and incorporated herein by this reference.

SECTION 4. This Ordinance shall take effect and be in full force and operation thirty (30) calendar days after adoption.

SECTION 5. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase added by this Ordinance, or any part thereof, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity of effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof irrespective of the fact that any one or more subsections, subdivisions, paragraphs sentences, clauses, or phrases are declared unconstitutional, invalid, or ineffective.

SECTION 6. The Mayor shall sign this Ordinance.

SECTION 7. The City Clerk shall certify to the passage of this Ordinance and shall cause this Ordinance to be published or posted as required by law.

SECTION 8. All of the above-referenced documents and information have been and are on file with the City Clerk of the City.

PASSED, APPROVED AND ADOPTED this 26<sup>th</sup> day of June 2024.

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NOEL HATCH, Mayor

ATTEST:

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YOLIE TRIPPY, CMC, City Clerk

APPROVED AS TO FORM:

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ALISHA PATTERSON, City Attorney

STATE OF CALIFORNIA       )  
COUNTY OF ORANGE       ) ss.  
CITY OF LAGUNA WOODS    )

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Ordinance No. 24-05** was duly introduced and placed upon its first reading at a regular meeting of the City Council on the 15<sup>th</sup> day of May 2024, and that thereafter, said Ordinance was duly adopted and passed at an adjourned regular meeting of the City Council on the 26<sup>th</sup> day of June 2024 by the following vote to wit:

AYES:       COUNCILMEMBERS: Hatch, Horne, Conners, McCary, Moore  
NOES:       COUNCILMEMBERS: -  
ABSTAIN: COUNCILMEMBERS: -  
ABSENT: COUNCILMEMBERS: -

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YOLIE TRIPPY, CMC, City Clerk

**EXHIBIT A  
CODE AMENDMENTS**

***Chapter 6.03 (“Business Registration”) is hereby added to Title 6 (“Businesses”) of the Laguna Woods Municipal Code to read as follows:***

**CHAPTER 6.03. - BUSINESS REGISTRATION**

**Section 6.03.010. - Purpose and intent.**

The purpose and intent of this chapter is to establish a mechanism to compile a record of (1) businesses operating from fixed commercial locations in Laguna Woods and (2) businesses that do not operate from fixed commercial locations in Laguna Woods, but wish to be added to such record. Such record, or “business registry,” is intended to promote communication with local businesses and assist in identifying and responding to violations of this Code. This chapter is not intended to be exclusive and compliance with its provisions shall not excuse noncompliance with any federal, state, or other local laws.

**Section 6.03.020. - Definitions.**

For purposes of this chapter only, the following definitions shall apply, in addition to those set forth in Chapter 1.02 of this Code:

(05) *Business* shall include all activities engaged in or caused to be engaged in within Laguna Woods, including any commercial or industrial enterprise, trade, profession, occupation, vocation, calling, or livelihood, whether or not carried on for gain or profit, but shall not include the services rendered by an employee to his, her, or their employer. “Business” does not include any of the following:

- a. Government entities including, but not limited to, city, county, state, and federal agencies, school districts, and special districts.
- b. Organizations that are tax-exempt under section 501(c)(3) of the Internal Revenue Code.

(10) *Fixed commercial location in Laguna Woods* shall mean any building, storefront, unit, or other physical location located within any commercial zoning district, that a business owns or leases, excluding post office boxes and other arrangements to provide for the receipt of mail or service of process only.

(15) *Person* shall include any individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular.

**Section 6.03.030. - Registration required.**

(a) Beginning September 1, 2024, there is a requirement imposed upon each person who is engaged in business operating from a fixed commercial location in Laguna Woods to register with the City. Such registration requirement exists regardless of whether the business has been issued any or all permits, licenses, or approvals required by the City or not. The City's acceptance of a registration from a business engaged in business without any or all permits, licenses, or approvals required by the City shall not constitute the City's approval or consent to engage in such business.

(b) All persons engaging in business operating from a fixed commercial location in Laguna Woods, whether an existing, newly established, or acquired business, shall register with the City within 30 calendar days of beginning to engage in business or within 30 calendar days of acquiring a business and shall annually renew such registration within 30 calendar days of each subsequent September 1 thereafter. In registering, such persons shall furnish to the City Manager a sworn statement, upon a form provided by the City Manager, setting forth the following information:

(1) The name of the business, including the legal name and any business names under which the business is to be conducted;

(2) The fixed commercial location in Laguna Woods where such business is to be operated (voluntary registrants must provide the principal location where such business is to be operated);

(3) The principal public telephone number for the business, if any;

- (4) The principal public email address for the business, if any;
- (5) The nature or kind of business;
- (6) The legal name, title or affiliation with the business, mailing address, telephone number, and email address of the person submitting the registration on behalf of the business;
- (7) The legal name, mailing address, telephone number, and email address of the agent for the service of process for the business;
- (8) The California permit number (California Department of Tax and Fee Administration sales tax number), if any, of the business, including, when applicable, proof that the location or sublocation of said California permit number is the City of Laguna Woods. If the business does not have a California permit number, proof of exemption from obtaining one shall be provided;
- (9) An acknowledgement from the person submitting the registration that all information submitted to the City may be subject to public disclosure under the California Public Records Act;
- (10) An acknowledgement from the person submitting the registration that they have reviewed, had an opportunity to consult with legal counsel regarding, and agree to comply with this chapter (voluntary registrants must acknowledge that they are registering voluntarily and have reviewed and had an opportunity to consult with legal counsel regarding this chapter);
- (11) Responses to screening questions meant to identify the applicability of state law and/or Laguna Woods Municipal Code provisions to the business;
- (12) An acknowledgement from the person submitting the registration that they have been provided with an informational notice from the City as described in California Assembly Bill 3002 (Grayson, Chapter 680, Statutes of 2018);
- (13) A statement from the person submitting the registration reading “Under penalty of perjury, I hereby declare that the information

contained within and submitted with this registration is complete, true, and accurate. I understand that a misrepresentation of fact is cause for the issuance of administration citations, civil fines, and other penalties and remedies”; and

(14) Any additional information which the City Manager may require.

**Sec. 6.03.040. - Registration does not authorize unlawful business.**

(a) Registration pursuant to this chapter, and its acceptance by the City, shall not entitle any person to carry on any business. Registration is principally an informational action and does not confer on registrants any rights or privileges.

(b) No registration pursuant to this chapter shall be construed as authorizing the conduct or continuance of any illegal or unlawful business, or any business in violation of any federal, state, or local law.

**Sec. 6.03.050. - Exemptions.**

(a) The following businesses shall be exempt from this chapter:

(1) Businesses that do not operate from a fixed commercial location in Laguna Woods.

(2) Businesses that hold a limited-term encroachment, sidewalk vending, special event, or temporary use permit from the City, but only to the extent of the activities specifically authorized therein.

(b) The following businesses shall be exempt from this chapter, but may voluntarily register with the City if the principal location where such business is to be operated is in Laguna Woods:

(1) Home occupations as defined by Laguna Woods Municipal Code Section 13.06.010(d)(475).

(c) The City Manager may require businesses to submit information necessary to establish the validity of an exemption claimed from this chapter.



**Sec. 6.03.060. - City Manager's authority.**

In addition to all other authority provided by state law, the City Council, and this Code, the City Manager shall have the following authority:

(1) For purposes of administration and enforcement of this chapter generally, the City Manager may from time to time promulgate such administrative interpretations, rules, and/or procedures consistent with the purpose, intent, and express terms of this chapter as the City Manager deems necessary to implement or clarify such provisions or aid in enforcement.

(2) The City Manager may delegate to, or enter into contracts with, public agencies or private entities to implement, administer, and/or enforce any of the provisions of this chapter on behalf of the City.

(3) The City Manager may file complaints and reports with the California Department of Tax and Fee Administration, or successor agency, Orange County Health Care Agency, or successor agency, Orange County Fire Authority, or successor agency, and other governmental agencies, regarding known or suspected unlicensed or illegal activity by or related to businesses, regardless of whether such activity has become known or suspected as a result of mandatory or voluntary registration, or some other means.