

**MINUTES
BUSINESS TAX RECEIPT (BTR)
STUDY COMMISSION MEETING
AUGUST 8, 2017 – 1:00 PM
CITY HALL ANNEX COUNCIL CHAMBERS**

1. CALL TO ORDER:

The Business Tax Receipt (BTR) Study Commission met in regular session with the following members and City staff present:

2. ROLL CALL:

<u>Members Present</u>	<u>Members Absent</u>	<u>Staff Present</u>
Tom Weidenhamer	Casey Jones	City Manager Carisse LeJeune
John Stephens III		City Clerk Rey Bailey
Kimberly Mergler		Interim Comm. Dev. Director Steve Schmidt
Pati Terjak		Land Use Attorney Kimberly Kopp
John Duplantis		
Ed Smith		
Ken Wampler		

3. INTRODUCTION:

Commission and staff members present introduced themselves.

4. APPOINTMENT OF CHAIR AND VICE-CHAIR

Mr. Ken Wampler and Ms. Kimberly Mergler were unanimously appointed as the Commission Chair and Vice-Chair, respectively.

5. SUNSHINE LAW

The Land Use Attorney provided a brief explanation of Florida's Sunshine Law/Public Meetings Law; stressing that no two or more members can discuss any issues that could conceivably come before this commission outside of a meeting that is properly advertised and open to the public.

6. RESOLUTION 17-21 – Establishing the BTR Study Commission

The City Manager informed the commission that she has been directed by the City Council to review the City's BTR regulations because they feel it needs revisions with more enforcement powers to encourage code compliance. By Florida State Statute, the City Council must first form an Equity Study Commission for the purpose of reviewing the City's Local Business Tax regulation before they can make substantial changes to the regulation. Each member of the commission must be a representative of the business community within the City. The commission will conduct a comprehensive review of the current ordinance and propose amendments for approval consideration by the City Council.

7. LOCAL BUSINESS TAX RECEIPT ORDINANCE

The City Manager asked the members to review the BTR ordinance and pull out any inconsistencies for discussion.

The members agreed to conduct individual research and look at some of the ordinances in other local communities for ideas, and then bring those ideas and materials to the meeting for discussions by the commission.

The Land Use Attorney suggested accessing the municode.com website to see examples of BTR regulations from other municipalities. She also stated that members are not limited to only looking at enforcement issues, they could also look at dollar amounts and the way the businesses are classified.

Mr. Stephens noted he has conducted a brief research and was able to pull up the City of Miami's BTR ordinance relative to amusement games and machines. He stated that their ordinance gives the City of Miami the option to seize any equipment that has no BTR and then charge hauling and storage fees.

A commission member asked whether or not proper notifications have been given by the City of Miami to inform their businesses that they are required to have a BTR for their equipment.

Mr. Smith suggests a sticker system be employed by the City for all amusement vending machines to show that businesses have applied for and received a BTR.

The City Manager stated it is one of the things this commission could consider as they formulate their recommendations to the City Council.

Mr. Duplantis argues that if a certain business has already applied for and received a BTR for their business; they should not be required to have a BTR for each of their equipment.

Ms. Mergler stated she is not as concern about amusement vending machines as she is with the "runaway" businesses operating in the City; adding these are the glaring issues they need to really address.

The City Manager clarified that the City of Destin is not targeting any particular industry or any area of the City as there are different kinds of businesses that are violating the BTR ordinance throughout the City. She also stated that every member of this commission can present their ideas or use best practices from other cities. Once they formulate their recommendations, they will be presented to the City Council.

Ms. Terjak mentioned that she has had her Okaloosa County business license for several years, but she was not aware she needed to have a Destin BTR until recently. She also stated there are other business owners in the City that are not aware of this requirement.

The City Manager stated that it has already been brought to her attention that the City is not doing a good enough job informing businesses that a BTR is required in order to operate in the City. It is something they are going to address internally to determine the best way to get the word out to all the businesses that they need to file for a BTR.

Ms. Terjak recommends they publicize this information out in the newspapers and on the City's website. She also stated that going back several years and collecting BTR fees retroactively is not fair to businesses and would further discourage them from going forward.

The City Manager stated this is one example of things this commission might want to look and see how it is being handled in other municipalities; and then make recommendations to Council as to how many years they should go back in terms of fees.

Ms. Terjak suggests they come up with a grace period during which the business can apply for a license without having to pay penalties or back taxes.

Mr. Wampler suggests finding a way to notify all the businesses first; and then give them the option similar to property taxes. Give them the exact amount they should pay if they do so within 30, 60, or 90 days of the notice. And then apply a stiff penalty after 90 days of non-payment to include closing down their business.

Mr. Weidenhamer suggests the City coordinates with the County to find out which businesses operating within the city limits of Destin have an Okaloosa County Business Tax Receipt. He also mentioned that the County has a person that goes door to door in every business to check if they have an Okaloosa County BTR; adding it is something the City might consider doing once they have enough staffing.

Mr. Wampler stated they do not have to go door to door; they could just simply call the businesses and get the same result.

It was noted there are a lot of businesses operating in Destin area now that do not have physical offices which would be very difficult to regulate.

Mr. Duplantis asked if they should go after small businesses such as lawn cutting, handyman or car detailing.

The City Manager replied if they are riding around in a vehicle advertising their business in the City, then they will need to apply for a BTR.

Several members feel everyone conducting business in Destin should have a BTR to make it equitable for everybody.

Mr. Stephens wants to know how they could regulate on-line companies that are based somewhere else but sell goods in Destin.

The City Manager replied the federal government is still trying to figure it out; however, they could start regulating companies here in Destin who are using the website to advertise such things as rental properties and not paying for a BTR.

Chairman Wampler asked everyone to take some time reviewing the BTR ordinance and pull out, from their perspective, any inconsistencies and bring it up to the attention of the group. He asked that they apply their own experience relative to fairness and equitability. He also noted

that the two biggest things they should try to come up with in terms of recommendations are communication and enforcement.

There was a question on whether or not home solicitations sales require a BTR.

According to the Land Use Attorney, home solicitations sales are covered under a different regulation.

There was a question as to when they should submit their recommendations to the City Council.

The Land Use Attorney stated that by Council's resolution, the deadline for the recommendation is October 2017; however, they can request an extension if necessary.

The commission members agreed to hold their next meeting on Tuesday, August 22nd, at 1:00 PM.

Having no further business at this time, the meeting was adjourned at 2:50 PM.

ADOPTED THIS 22ND DAY OF AUGUST 2017
By:

Ken Wampler, Chairman

ATTEST:

Rey Bailey, City Clerk