

Ordinance No. 13-32

**AN ORDINANCE AMENDING SECTIONS: 4-1-1.20; 4-2-16; 4-2-21(D); 4-3-9; and
CREATING SECTION 4-1.1.22 OF THE PARK CITY MUNICIPAL CODE TO
CLARIFY HOW CONVENTION BUSINESSES AND GIFTING ARE REGULATED.**

WHEREAS, the Park City Code places limitations on convention business activity to minimize impacts on the long term vitality of brick and mortar businesses as well as contracted master festival license holders that provide broad benefits to the Community;

WHEREAS, the City Council finds that it is in the public interest to regulate convention business uses because they create disproportionate impacts to providing City services including staff time, physical impact on structures, load-in and load-out, parking, maximization of temporary occupancy, traffic and other health, safety and welfare issues;

WHEREAS, public hearings were duly held before City Council on September 5, 2013; and

WHEREAS, public notice and opportunity to comment were provided, pursuant to the Municipal Code; and

WHEREAS, the City Council finds and determines that, allowing temporary uses of permanent spaces allows private business owners to realize positive economic impacts from temporary rentals while encouraging commercial activity to remain in commercial districts and managing adverse impacts; and

WHEREAS, the City Council finds the proposed amendments in the best interest of the residents of Park City;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF
PARK CITY, UTAH, THAT:**

SECTION I. FINDINGS. The above-recitals are hereby incorporated herein as findings.

SECTION II. AMENDMENTS TITLE 4 OF THE MUNICIPAL CODE.

The following amendments shall be made to Chapter 4 of the Municipal Code of Park City, as follows:

4- 1- 1. DEFINITIONS.

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4-1-1.20 **ENGAGING IN BUSINESS.** Includes all activities engaged in within the corporate limits of Park City carried on for the purpose of gain or economic profit, except

that the acts of employees rendering service to employers shall not be included in the term business unless otherwise specifically prescribed. "Engaging in business" includes but is not limited to: the sale, rental, gifting, or promotion of tangible personal or real property at retail or wholesale; the manufacturing of goods or property and the rendering of personal services for others for a consideration by persons engaged in any profession, trade, craft, business, occupation, or other calling, except the rendering of personal services by an employee to his employer under any contract of personal employment; each manufacturing or originating company whether individually occupying a premise or co-locating shall be required to obtain an individual business license for that business activity.

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4-1-1.22 GIFTING– Includes various hospitality, gifting, filming, display, exhibiting or promotional use of goods, not for sale and other related activity that are marketing or promoting tools in which goods are given or traded to the public in general or desirable people so that the product will be associated with those people and appear in publications, media, internet, etc. and give the product exposure. Gifting is not just the display of goods with the hopes of future orders; it involves actually giving the product away, where the consideration for the gift is the exposure of the product; and includes direct or indirect interaction with customers, potential customers in order to increase awareness of a product, service or company. Corporate groups that receive gifts purchased by the corporation are not provided by another entity and are exclusively for the group will not be considered gifting.

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4-2-16 SEPARATE BUSINESSES, LICENSED PREMISES.

Where two (2) or more persons conduct separate businesses at the same location, each such person shall provide individual Utah tax identification number if sales transactions are taking place, federal tax identification numbers if only promotion or gifting is taking place, be responsible for all required licensing, inspections and sign permits for each such business and pay the required fees for such business. Where a person is a licensee pursuant to provisions in the beer and liquor licensing chapter of this Title, that person shall obtain a separate business license for each licensed premises.

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4-2-21. EXCEPTIONS TO CONVENTION SALES LICENSE.

No convention sales license shall be required under this Chapter upon the following persons or businesses:

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(D) Any individual vendor, person, firm, or corporation gifting, exhibiting, marketing or promoting goods concurrent with and as an adjunct to a group display, meeting or convention duly authorized to be held; provided that the convention space is duly licensed under other applicable ordinances, and listed as such on the properties business license. Traditional hotel/restaurant offerings including private dinner bookings in restaurants, existing entertainment such as in restaurant outlets or lounges etc., groups utilizing interior signage. Building inspections are required until code compliance is achieved. Vendors that anticipate selling a tangible product or service in meeting or convention authorized space must apply for a Temporary Utah States Sales Tax Number and report all sales to the State of Utah after the conclusion of the event. This exception does not apply during the dates of the Sundance Film Festival due to the increase impacts during this event unless the gifting, exhibiting, marketing, or promotion of goods are targeted to a group that is part of a function that is fully contained within a licensed convention space where the group has purchased a room block as part of their event;

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4-3-9 CONVENTION SALES AND HOSPITALITY LICENSE.

The Finance Department may issue licenses for a period not to exceed two (2) weeks for temporary use of convention, meeting, event and other assembly rooms within any licensed convention, meeting or assembly facility for the purpose of temporary exhibiting, marketing, displaying, Gifting or promoting of goods or services. If multiple vendors are sharing a space, an umbrella organizer may obtain a convention sales license for the entire space as long as each individual vendor provides individual tax identification number. The umbrella organizer will be charged a license fee for the umbrella license as well as a fee for each vendor listed on the application. All vendors included in the umbrella license must be located under one physical address. The umbrella organizer is also responsible for having an appropriate business license. Any person or business that is conducting point of sales transactions will be required to have separate business license whether in conjunction with a convention or not.

There are two types of Convention Sales and Hospitality Licenses.

TYPE 1 – Convention Sales License - This type of license will be available year round except for during the dates of Sundance Film Festival.

TYPE 2– Sundance Film Festival Convention Sales and Hospitality License – This type of license will only be available during the dates of the Sundance Film Festival.

The licenses may be issued on the following terms:

(A) LICENSE FEE. The license fee shall be as set forth in the Park City License Fee Schedule. An additional administrative fee as set forth in the Park City License Fee Schedule is hereby authorized for all such convention sales licenses effective during any portion of the Sundance Film Festival.

(B) TAX IDENTIFICATION NUMBER. The applicant must provide individual Utah tax identification number if sales transactions are taking place, federal tax identification numbers if only promotion or gifting is taking place, as a part of the license application to assist in verifying the collection and reporting of sales tax.

(C) APPLICATIONS. Applications must be filed at least ten (10) days prior to the proposed date of commencement of business to permit adequate time for the Police, Building, Finance and Planning Departments review and investigation. The Departments may request reasonable evidence of title to goods proposed to be offered for sale as a part of the review. Those engaging in business with a physical place of business within City limits will require building inspection to ensure code compliance prior to application.

(D) RESPONSIBILITY OF HOST BUSINESS TO ENSURE LICENSING AND COMPLIANCE WITH THE UNIFORM BUILDING AND FIRE CODES. Businesses which make all of or a portion or portions of their licensed business locations available to other persons for the purpose of engaging in business shall be responsible to ensure that such persons obtain business licenses and possess federal tax numbers and Utah state sales tax numbers listed in Park City if sales transactions are taking place. In the event a licensed hotel, motel, inn or bed-and-breakfast business fails to require such a showing, that business shall be liable for payment of all license fees and penalties payable by the person engaging in business at their licensed location. If such business is not currently licensed for assembly use, the business shall obtain the necessary inspection and permit from the Building Department. Nothing herein shall relieve the sub-letting/guest business from their individual responsibility to obtain the necessary licenses.

(Amended by Ord. 00-60; 01-38)

SECTION III. EFFECTIVE DATE. This ordinance shall become effective upon publication.

PASSED AND ADOPTED this 5th day of September 2013

PARK CITY MUNICIPAL CORPORATION



Mayor Dana Williams

Attest:

Marci Heil

Marci S. Heil, City Recorder

Approved as to Form:

Mark D. Harrington

Mark D. Harrington, City Attorney

