

RESOLUTION NO. 1413

A RESOLUTION OF THE CITY OF DES MOINES, WASHINGTON, approving an Interlocal Agreement ("ILA") with the Cities of Bellevue, Everett, Lake Forest Park, Renton, Seattle, and Tacoma to join the Washington Multi-City Business License and Tax Portal Agency, d/b/a FileLocal, as a principal city and directing the City Manager to sign the third addendum to the ILA.

WHEREAS, the Legislature has given code cities the authority under RCW 35A.82.020 to license, regulate, and make inspection in regard to all places and kinds of business, production, commerce, entertainment, exhibition, and upon all occupations, trades and professions and any other lawful activity, and to impose excises for regulation or revenue of the same, and

WHEREAS, this authority granted by the Legislature is subject to limitations imposed from time to time by the Legislature, and

WHEREAS, the Des Moines City Council has provided for general business licenses and imposition of fees for obtaining such license, codified at chapter 5.04 DMMC, and

WHEREAS, in 2017 the Legislature enacted Engrossed House Bill 2005 which requires Washington cities to partner with the Washington State Department of Revenue ("Department of Revenue") to utilize the Washington State Business Licensing System ("BLS") before January 1, 2022 to issue business licenses, and

WHEREAS, BLS is a computerized portal operated by the Department of Revenue for businesses to apply for and renew business licenses in one place regardless of how many licenses were applied for or renewed, and would be used solely to issue business licenses, and

WHEREAS, a City who partners with the Multi-City Business and Tax License Portal Agency, d/b/a FileLocal ("FileLocal"), is exempt from the requirement to use BLS to administer business licenses, if the City partners with FileLocal by July 1, 2020, and

WHEREAS, FileLocal is an interlocal agency built and operated by the cities of Seattle, Bellevue, Everett, and Tacoma for the purpose of providing a "one-stop shop" computerized portal for businesses to not only apply for and renew business

licenses, but also for businesses to pay Business and Occupation taxes, regardless of which cities or how many cities within which a business generates their revenues, and

WHEREAS, FileLocal allows for the addition of new "principal cities", which members have voting rights, or "subscriber cities", which members do not have voting rights, and

WHEREAS, the principal cities help with the management of FileLocal and also sit on the executive board as voting members, and

WHEREAS, the City of Lake Forest Park joined FileLocal in 2017 as a principal city, and

WHEREAS, the City of Renton joined FileLocal in 2018 as a principal city, and

WHEREAS, the ability for businesses to pay City Business and Occupation taxes through FileLocal, as well as lower user fees for businesses makes FileLocal a more favorable option for serving businesses that operate within the City than BLS, and

WHEREAS, the City of Des Moines desires to join FileLocal as a principal city in order to participate in the decision making for the agency and to allow businesses which operate in Des Moines to use the FileLocal portal, and

WHEREAS, the executive board of Washington Multi-City Business License and Tax Portal Agency adopted Resolution FL2020-04 by supermajority vote on April 17, 2020 pursuant to section 8 of the ILA, approving the admission of the City of Des Moines as a principal city, subject to the approval of the Des Moines City Council, and

WHEREAS, the City Council of the City of Des Moines wishes to join FileLocal as a principal city for business licensing and collection of Business and Occupation tax; now therefore,

THE CITY COUNCIL OF THE CITY OF DES MOINES RESOLVES AS FOLLOWS:

Sec. 1. The City Council hereby approves the Washington Multi-City Business License and Tax Portal Agency Interlocal

Agreement with the cities of Bellevue, Everett, Lake Forest Park, Seattle, and Tacoma, attached hereto as Exhibit "A".

Sec. 2. The City Manager is authorized and directed to sign the third addendum to page 31 of the Interlocal Agreement, substantially in the form attached as Exhibit "B".

PASSED BY the City Council of the City of Des Moines, Washington this 28th day of May, 2020 and signed in authentication thereof this 28th day of May, 2020.


MAYOR

APPROVED AS TO FORM:

/s/ Timothy George
City Attorney

ATTEST:


City Clerk