Business Regulations Review

The starter kit requested we:

- Reach out to and survey local business leader to identify business regulations and process that can be improved.
- Work as a city team to review all of our regulations to understand why the regulations exist and determine if they unduly impact businesses.
- Collaborate with our city council to revise or repeal any unnecessary ordinances, regulations and procedures.
- Report the results of the business regulation review to: localregulation@slchamber.com
The Committee Selection

- Project was assigned to City Commerce & Economic Development
- Business Regulation Review Committee was created
- Employees from different departments and backgrounds were selected

The Committee Members:

1) Brad Klavano, Director of Development Services
2) Brian A. Preece, Director of City Commerce
3) Brooke B. Smith, Executive Assistant
4) Chip Dawson, Intergovernmental Affairs Specialist
5) Greg Schindler, City Planner
6) Paul Cunningham, Chief of Staff
7) Tina Brown, Communications Coordinator
The Committee

First meeting scheduled: Friday, July 29, 2016

The Plan:

• Create survey on SurveyMonkey.com to send out to all business owners in South Jordan who supplied us with an email address.
• Keep the survey questions to a minimum
• Allow open ended questions for additional input
• Collect responses for two weeks.
Date Created: Monday, August 01, 2016
Survey Sent: Thursday, August 04, 2016
Reminder Request Sent: Wednesday, August 10, 2016
Survey Closed: Friday, August 12, 2016
• 1579 emails sent
• 47 bounced
• 21 opted out
• 17.42% responded to survey request
  (An excellent response rate for this type of survey.)

275 Total Responses
Q1: What type of business license do you currently have?

Answered: 275   Skipped: 1
Q1: What type of business license do you currently have?

Answered: 275    Skipped: 1

<table>
<thead>
<tr>
<th>Answer Choices</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alcohol license</td>
<td>0.36%</td>
</tr>
<tr>
<td>Beauty salon license (cosmetology/grooming)</td>
<td>8.36%</td>
</tr>
<tr>
<td>Commercial/retail license</td>
<td>21.45%</td>
</tr>
<tr>
<td>Home occupation license</td>
<td>47.64%</td>
</tr>
<tr>
<td>Exempt license</td>
<td>1.09%</td>
</tr>
<tr>
<td>Mobile food vendor license</td>
<td>2.91%</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>18.18%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>275</td>
</tr>
</tbody>
</table>
TOTAL RESULTS WITH “OTHER” DEFINED INTO SPECIFIC GROUPS

Answered: 275  Skipped: 1

<table>
<thead>
<tr>
<th></th>
<th>Original Responses</th>
<th>“Other” Choices Defined</th>
<th>Percentage</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alcohol license</td>
<td>1</td>
<td>1</td>
<td>.73%</td>
<td>2</td>
</tr>
<tr>
<td>Beauty Salon License</td>
<td>23</td>
<td>3</td>
<td>9.45%</td>
<td>26</td>
</tr>
<tr>
<td>Commercial/retail license</td>
<td>59</td>
<td>23</td>
<td>29.82%</td>
<td>82</td>
</tr>
<tr>
<td>Home occupation license</td>
<td>131</td>
<td>20</td>
<td>54.91%</td>
<td>151</td>
</tr>
<tr>
<td>Exempt License</td>
<td>3</td>
<td>1</td>
<td>1.45%</td>
<td>4</td>
</tr>
<tr>
<td>Mobile Food Vendor</td>
<td>8</td>
<td>0</td>
<td>2.91%</td>
<td>8</td>
</tr>
<tr>
<td>Temporary</td>
<td>0</td>
<td>1</td>
<td>.36%</td>
<td>1</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>225</strong></td>
<td><strong>48</strong></td>
<td><strong>100%</strong></td>
<td><strong>275</strong></td>
</tr>
</tbody>
</table>
Q2: Are there any ordinances or regulations that you believe unreasonably impact businesses in the City of South Jordan. Please provide any thoughts or comments you may have in the box below.

<table>
<thead>
<tr>
<th>Main complaints</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Against business licensing all together</td>
<td>2</td>
</tr>
<tr>
<td>Alcohol restrictions</td>
<td>2</td>
</tr>
<tr>
<td>Building Restrictions</td>
<td>2</td>
</tr>
<tr>
<td>Mobile food vendor restrictions</td>
<td>3</td>
</tr>
<tr>
<td>Miscellaneous (beggars, additional Daybreak restrictions, Sewer Impact Fees, Taxes, Towing)</td>
<td>7</td>
</tr>
<tr>
<td>Postcard notifications</td>
<td>7</td>
</tr>
<tr>
<td>Home Occupation regulations (hours of operation, visitors, employees, forms, sell retail products, parking)</td>
<td>8</td>
</tr>
<tr>
<td>Fees and renewals</td>
<td>9</td>
</tr>
<tr>
<td>sign ordinances restrictions</td>
<td>21</td>
</tr>
<tr>
<td>No complaints listed (answer was “No”)</td>
<td>90</td>
</tr>
<tr>
<td>Blank responses</td>
<td>124</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>275</strong></td>
</tr>
</tbody>
</table>
AIRING OUR “DIRTY LAUNDRY”…

Specific complaints made that business owners believe unreasonably impact their businesses in the City of South Jordan.
Against business licensing all together

“Business licensing is only a revenue stream for the city. Has absolutely no use other than to fatten the city's coffers and bloat the bureaucracy.”

“I don't believe business licenses are a legitimate governmental responsibility.”
Complaints defined- (2)

**Alcohol restrictions**

“The lack of liquor licenses affects our tourist, hotel, and restaurant industries. This impacts my industry, Architecture, as well as other industries.”

“Utah liquor laws.”
Complaints defined- (2)

**Building Restrictions**

“Biggest complaint I hear (I'm an accountant) is the building restrictions/permit here in SJ is not liked.”

“The house I’m living in is 38 years old and apparently never applied for a building permit for the building. It is highly unfair to me to have to apply for a permit when the basement is already finished and it was no fault of mine. The city would not give me a price range for how much this would cost me. They only told me that worse case scenario is I would have to rebuild the basement. I think if there haven't been any problems for almost 40 years I should be exempt.”
Complaints defined- (3)

**Mobile Food Vendor**

“As a food truck we are required to obtain a city permit/license in most cities, which becomes very costly. As a contractor, my main business, I have a license from the state and from the municipality where I am located and can operate in any city. This program is very unfair to the food truck industry. We should be the same as independent contractors. Governed by the county health dept. and licensed by our "home" city.”

“Charging us by location for a business license rather than one for the whole city. Plumbers don't need one of these as they do jobs around town. However food vendors do. It doesn't quite add up.”

“I think limiting the ability of a food truck to operate within a certain proximity to a brick and mortar creates a disadvantage for the food truck. I see where it's ok for there to be multiple brick and mortar pizza businesses almost next to each other and I'm not sure I see the difference.”
Complaints defined – (7)

**Miscellaneous complaints**

“Should not allow vagrants to beg on the corners of intersections and shopping centers. It poses a danger and degrades the city.”

“Having to get an extra application approved and another fee from Daybreak in addition to my license in South Jordan was a pain.”

“I have other locations in west jordan and west valley city, and south jordan is the only city I pay an additional sewer impact fee.”

“Not from the City. But the state and federal burdens are another thing all together.”

“Not that I have encountered yet. Any help keeping taxes low for the first couple of years in business would be helpful.”

“Towing and impound service that are provided by Tow companies are highly regulated by city and state such as limit locations, excessive insurance requirements.”

“Our biggest concern is security. Homeless people are allowed to hang out at intersections, creating potential hazards and creating a less attractive atmosphere. We also have experienced a lot of vehicle burglaries, and are concerned about the growing crime rate in general.”
Complaints defined – (7)

**Neighborhood Notification Postcards**

“For many businesses, the requirement to get neighbor approval is excessive. Most businesses have little top no impact on the neighbors. Often a license is required by a bank, vendor, or regulator, etc., even when the business activity is invisible to anyone. Getting neighbor approval is a needless headache.”

“Home business must notify an unnecessarily large radius of neighbors. It cost our very small home business nearly $300 to send this notification.”

“I don’t really enjoy having to go through the process of getting the address list of all neighbors and mailing labels for them from the SLC County building, but I understand why and agree with the concept. If you have some way to streamline that, it would be appreciated.”

“I think it’s unreasonable to contact neighbors of home businesses that are internet based. When there will be no clients ever showing up to the house, the neighbors will not be affected at all. It’s ridiculous to pay the money and waste the paper to notify the neighbors.”

“If I move to a new residence in the city, do I have to get permission from my close neighbors to continue my well established business?”

“Mailing a postcard to my neighbors when getting a license seems unreasonable. Either you qualify or you do not. If the license is public record, concerned neighbors could inquire through the city if something came up.”

“The process was more involved than other cities I have lived in but they process was still smooth. Having to submit a picture of my house floor plan and mailing all the neighbors was a little much. Wasn’t hard not something I’ve had to do in other cities I have lived and done business in.”
Complaints defined- (8)

Home Occupation Regulations
“Charging more as the business hires more employees is obnoxious. I’ll keep my company in South Jordan while”

“You cannot change your business name without a lot of red tape.”

“I think it would be better if home occupation businesses could have a non-resident employee--just one. I get that the city doesn’t want people congesting up residential parking and traffic and such, but I think that could be balanced by keeping the number low. My business would be better if I could hire an administrative assistant.”

“I believe the ordinances are fair and balanced for both home businesses and commercial businesses. I do how ever think the instructions and forms should be reviewed and updated to match current processes and procedures.”

“I would like to be able to sell retail products for my clients in my home salon. Right now, that is not allowed.”

“Restrictions on times of day your business can operate as well as the ability for your neighbors to have a say on if you can have a business in your own home. And the ability to have more than one home business would make sense because there are many online services people provide now that require no foot traffic.”

“Small companies unable to park business vehicles on their own property. The overhead cost of parking them elsewhere greatly impacts small businesses. 1-2 vehicles parked behind a fence should be reasonable.”

“I feel that the number of clients that I can see in my home is unreasonably low. The issue would be with auto traffic and parking. If my clients take public transportation or carpool, which is often the case, then the number of clients I see in a day or a month has no impact on my neighborhood and community. Daybreak has a lot of foot traffic. Additional clients who are not parking on my street would not even be noticed by my neighbors.”
Complaints defined- (9)

**Fees & Renewals**

“Charging more as the business hires more employees is obnoxious. I'll keep my company in South Jordan while we're small, but we aren't sure as we start to grow.”

“Fees are too high for start-up business license; discourages and slows economic growth.”

“I feel the charge is too high for an individual doing business within another business. The city is already making money on the business.”

“I just found out that my license went from $35 to $105 without any explanation. I don't understand the major increase”

“Licensing could be a bit lower. We have a store front as well as a food truck and it is very costly trying to license in several cities.”

“Ridiculous that businesses are required to pay an annual renewal fee. No other cities do this-South Jordan is not pro business.”

“The city licenses payment process is designed to make exorbitant late fees. City is sending the payment notice 3 months in advance so you surely forget in the month it is due. Send a payment notice during the month it is due. With your late fees of 60% plus interest you can scratch "not for profit" off the city declaration.”

“Why have a home business license and why have a steep late fee. Then your late and the police show up.”

“Why can't the licenses be for 2-3 years?”
Complaints defined- (21)

**Sign Ordinances**

“I am not allowed to have a sign for my business. Even though other businesses have the exact type of sign I would like.”
“I wish that I could have electronic signage. I’m right on South Jordan Parkway and advertising to that traffic would be really good for our business.”
“Putting A frame signs out in front of my business is currently illegal. I would get more business if I could do that. The city also is not good about maintaining curbside trees and bushes. There are currently 5 trees that obstruct street visibility of my business.”
“The lack of ability to use signage by streets, very inconsistent in rules because some is seen in other areas of SJ. These are those banners and small signage”
“Restrictions on signage for home business. Needing separate permit is cumbersome.”
“Sign is very constrictive and does not allow us to effectively conduct certain aspects of our business”
“Signage”
“Signage is difficult, too stringent. Especially for small temporary signage”
“Signage is to restrictive and too generalized”
“Signage on the parkways, it should be allowed to advertise your business with yard signs and arrow sandwich type signage in South Jordan, especially Daybreak”
“Signage regulations”
“signage restrictions”
“signs”
“Some zoning regulations are ridiculous! We cap find ways around it though and still make things work.”
“The fact that I can’t even have a small sign on my door. I’m not asking for a billboard. Also that I have a restricted number of packages per week that should come or go. My carrier gives me grief about that. It’s like 8 packages a week. I’d like to teach jewelry making out of my home. Which would be restricted.”
“The Signage ordinances are way too restrictive.”
“The small amount of signage aloud and the banner permits are way to restrictive. It makes it very hard to advertise effectively, I think I could grow 10-20% if things were better.
“The temporary sign permit system isn’t great.”
“yes, allow all businesses to hang banners, not just those that bring in a certain amount of revenue. Other cities allow businesses to pay for a permit that allows them to put up a banner advertising a promotion or something similar. The banner has to be a certain size and the business can only do it for 2 weeks at a time. And the business can only apply for a permit twice a year. It’s frustrating to see fences littered with political signs almost the entire year, but you can’t put up a simple banner to advertise your business that will bring more revenue to the city. This ordinance needs to be reconsidered”
“Yes, your sign ordinance is horrible. It is so restrictive people can not even sell their houses without paying a fee. Businesses cannot do a proper job of promoting themselves.”
Q3: Do you think South Jordan City's business licensing application processes and/or requirements are:

Answered: 275    Skipped: 1

- Too restrictive: 9.82%
- About right: 89.92%
- Too lenient: 0.36%
Q3: Do you think South Jordan City's business licensing application processes and/or requirements are:

Answered: 275    Skipped: 1

<table>
<thead>
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<tr>
<td>Too lenient</td>
<td>0.36%</td>
</tr>
<tr>
<td>Total</td>
<td>275</td>
</tr>
</tbody>
</table>
How are we doing???
Q3: If you answered too restrictive/lenient, what licensing regulation(s) would you say are too restrictive and/or lenient? Please be as specific as possible.

1 said “Too lenient” and 1 comment made
27 said “Too restrictive” and 23 comments made (6 miscellaneous comments like, “see above”)
247 said “About right” and 1 comment made

• Too lenient- “need better background checks on massage therapist”

• About Right- “would be easier if could do online instead of coming into the office.”
Too restrictive with comments (17)

“building inspector was difficult to work with”

“Permits on rooms that are already built before you bought the house. Is there an easier way to check for safety besides charging who knows how much?”

“The price and penalty.”

“I believe most business should not require a license. This is government over reach”

“I don’t believe a business license should be required. I also don’t think the process or requirements are too lenient. As far as being too restrictive, I again don’t believe the city (or other governmental entity) should be involved in licensing.”

“The FREE MARKET will determine who is competent and/or useful to the consumer. I’ve been a framer for 43 years and I am successful because I work hard and am honest, and I do an excellent job for my customers. Not because the government licensed me.”

“This business would prefer to have one license for the business, not each location.”

“See above: internet based businesses should have their own rules.”

“Be able to fax or email in the licensing request, not just walk-ins”

“Small companies unable to park business vehicles on their own property. The overhead cost of parking them elsewhere greatly impacts small businesses. 1-2 vehicles parked behind a fence should be reasonable.”

“I am an interior designer. And even though clients never come to my home office (no extra traffic or impact on my neighborhood), I had to go through the time/expense of getting approval from neighbors. We live on a dead end street, but many of the people involved aren’t even directly connected to my street.”

“I don’t see the need to send notification to neighbors of my business and wait to see if they are ok before proceeding. I have no traffic come to my house so it does not affect them in any way.”

“I think the radius of mailing out letters to neighbors so they are aware of a business needs to be adjusted.”

“Neighbor approval”

“Requiring a post card be mailed to my neighbors before any problems arise. The cost is expensive for the postcard mailing. Online applications and fees would be great.”

“The mailing labels for a home office business seem stupid.”

“While I can see the benefit of alerting neighbors to certain types of businesses opening in their vicinity, my business is internet based and has absolutely no impact on traffic/neighbors. I did not feel it necessary to send out postcards to all my neighbors asking permission to allow my business to operate. I felt like it was a big waste of money, time and resources and think there should be tiers of types of businesses that should need to notify neighbors.”

“I had to pay twice as much than a usual license due to my business being centered in Daybreak. In order to apply for the license, I had to pay for mailing to go out and since there is a higher concentration of homes in the area, my cost was outrageous. The renewal fees each year are also higher than any other surrounding city.”
Q4: OPTIONAL: If you would like follow-up contact with City staff about your comments, please provide your name, phone number and email address.

32 Answered
244 Skipped
15 requested follow up
  • 13 follow up emails sent
  • 2 follow up phone calls made
FINDINGS

• The survey results are consistent with previous surveys performed.
  • A large number of home occupation applicants took the survey.
    • Less than 1% are against business licensing all together.
    • Mobile Food Vendors only want one license to operate in the State.
  • There is some misinformation about business licensing at the City and State level.
  • Home businesses do not like sending Neighborhood Notifications as currently required, especially if their business has no impact to the neighborhood.
  • Several home ordinance businesses want to be the exception to the regular rules.
  • Our fee schedule just changed (July 1, 2016) and we need to continue to educate our business owners about the changes and explain the reason behind the change.
    • We received a large number of sign ordinance complaints.
    • Internet based online businesses and mobile food truck business rules and regulations should be looked at and reviewed.
  • Overall, business owners are happy with the services we provide.
City Enhancements – New Website Design

Release date: August 22, 2016

Upgrades:
• City departments and services are easier to find.
• Additional online services available.
• More fillable online forms, eliminating the need to print forms, scan fax or email.

City Enhancements – New Business License Database

South Jordan City purchased a new licensing module from Harris and is currently working on implementations.

Anticipated Release Date: November 1, 2016

Local Government Building, Licensing, Inspections, Public Works and other departments use CityView to decrease customer call volume; shorten permit issuance times; promote citizen self-service; increase inspector productivity; and reduce paper and manual processes.

Upgrade: 100% electronic. Anyone can apply for a business license online. Renewals will all be done via web and applicants will be able to have access to print out their business license or check the status of their license at any time.
City Enhancements – Home Occupation Committee

A committee was created to discuss changes to the Home Occupation Ordinance.

The committee will discuss;
• If the home occupation ordinance should be moved into Business Licensing and out of Planning/Zoning ordinance;
• Neighborhood notifications requirements;
• Restricting home occupations licenses for certain “types” of business; and
• Number of vehicles allowed per business/license.
City Enhancements – Fee Schedule

Date changed: July 1, 2016

Upgrade: Changed the fee schedule from base fee plus cost per employee to standardized base fee that is consistent with current state law per recommendations from an independent business licensing consultant.
City Enhancements – Neighborhood Notifications Fee Change

Date changed: July 1, 2016

Upgrade: Eliminated the additional (stamp and postcard) cost for home occupation applications required to notify neighbors of their home business.

Future upgrades: Currently working with City staff and council to lower the amount of postcard notifications that are sent out.

Exploring changing the language requiring home occupation applicants to notify neighbors; especially for certain types of home businesses that have no neighborhood impact.
City Enhancements – Bring Your Burning Question

Beginning in 2015, City staff scheduled several open houses throughout South Jordan for residents to meet and speak to City executives.

Previous one scheduled on:
Saturday, August 20, South Jordan Farmers Market,
City Hall (1600 Towne Center Dr.)
10 am – 2 pm
City Enhancements – Helpline

801-446-HELP

801-446-HELP is the main contact number for all of South Jordan City. This number will connect you with a live person, not an automated system. One number eliminates the need to memorize several phone numbers and our callers won’t get frustrated listening to an endless automated menu.
Use the October 2016 Edition of the Focus to update and educate the public about the fee schedule change to Business Licensing and to help address any misinformation provided to us by the survey.
Summary

• 275 people participated in the survey;
• 90% believe that South Jordan City business licensing application process and requirements are “just right”;
• 10% provided feedback with suggestions on areas that can be improved; and
• City Staff will continue to review the complaints and consider changes as we review ordinances.
For questions about this survey and results, please contact:

Brooke B. Smith, CLO | Executive Assistant City Commerce | City of South Jordan
1600 W. Towne Center Drive | South Jordan, UT 84095
O: 801.254.3742 ext: 1228| F: 801.254.3393
bsmith@sjc.utah.gov

Click on the logos to follow us on Social Media!

For more information on South Jordan City Economic Development, please visit: http://www.sjc.utah.gov/economicdevelopment.asp