

In the City Council,  
City of Lodi,  
Lodi, California

ORIGINAL

ORDINANCE NO. 402

AN ORDINANCE REGULATING THE BUSINESS OF DEALING IN USED MOTOR VEHICLES, PROVIDING FOR PERMITS THEREFOR, REQUIRING A BOND FOR SUCH DEALERS, PROVIDING PENALTIES FOR VIOLATION OF THIS ORDINANCE AND REPEALING ORDINANCES NOS. 364 AND 384.

The City Council of the City of Lodi does ordain as follows:

Section 1. Ordinance No. 364, entitled "An Ordinance Regulating the Business of Dealing in Used Motor Vehicles; Defining Used Automobile Dealer and Used Motor Vehicle and Establishing Procedure for Procurement of Permits to Engage in Said Business; Fixing the amount of Bond Therefor and Providing Penalties for the Violation Thereof", is hereby repealed. Ordinance No. 384, entitled "Amending Section 4 of Ordinance No. 364", is also hereby repealed.

Section 2. DEFINITIONS. The following words and phrases when used herein shall have the meanings as set forth in this section.

"Used Motor Vehicle" A used motor vehicle is a motor vehicle, as the same is defined in Section 31, as amended, of the California Vehicle Code, which has been once sold or registered for use on the highways, or one that has been operated by any person for a distance in excess of twice the distance necessary to transport the same from the place of business of the local distributor of such motor vehicles to the place of business of the dealer. A motor vehicle used for demonstration purposes is a used motor vehicle within the meaning of this ordinance.

"Used Car Dealer" A used car dealer is any person selling, offering for sale, buying or taking in trade for resale, consigning to be sold or otherwise dealing in used motor vehicles registered to a person other than himself, provided that no person selling used motor vehicles solely and exclusively to used car dealers shall be deemed a used car dealer. Any person selling, offering for sale, buying or taking in trade for resale, consigning to be sold or otherwise dealing in more than two (2) used motor vehicles registered to himself in any one (1) calendar year shall also be deemed to be a used car dealer. No person who now has or may hereafter obtain a franchise or agency in Lodi for the sale of new automobiles or trucks shall be construed as a "used car dealer" while he operates under such franchise or agency.

**"Person"** A person, as used in this ordinance shall mean an individual, partnership, firm, corporation, or other business venture organized for the conduct of business.

**"Motor Vehicle Registration"** A motor vehicle registration as used herein is that certain certificate issued by the Division of Motor Vehicles under Section 152 of the Vehicle Code of the State of California or the equivalent thereof issued in states other than California, and the registrant is deemed to be the person named in said certificate as registered owner.

**Section 3. PERMIT REQUIRED.** It shall be unlawful for any person to be a used car dealer without having first received a permit to do so from the Finance Director of the City of Lodi, which permit shall be in addition to any business license required for revenue by the City of Lodi.

**Section 4. APPLICATION FOR PERMIT.** Application for the permit required under Section 3 shall be made to the Finance Director in writing on a form supplied by him. Applicant will be required to furnish his name, address, proposed business address at which place his used motor vehicles will be displayed and offered for sale, or sold, proposed fictitious business name, if any, and such other information as may be required. No application shall be accepted unless said applicant proposes to display and offer for sale used motor vehicles at a fixed place of business properly zoned for the conduct of such business under the laws and ordinances of the City of Lodi. Applicant must also give the Finance Director his State License number assigned by the Motor Vehicle Department to such dealer.

**Section 5. APPLICATION FEE.** Each application shall be accompanied by a filing and investigation fee of Twenty-five Dollars (\$25.00).

**Section 6. INVESTIGATION OF APPLICANT.** Upon completion of the filing of an application, the Finance Director shall conduct such an investigation as may be necessary to establish the good character, reputation and financial responsibility of the applicant.

**Section 7. GRANTING OF PERMIT.** Upon completion of said investigation, but in no case less than fifteen (15) days from the date of the application, and within a reasonable length of time, the Finance Director shall grant or deny said application. If granted, a written permit shall immediately be issued upon payment by the applicant of a fee of Twenty-five Dollars (\$25.00), and the receipt of a bond, and of the applicant's State License number issued by the Motor Vehicle Department to such dealer.

**Section 8. BOND REQUIRED.** The bond referred to in Section 7 shall be a bond executed to the City of Lodi by applicant and a surety corporation duly authorized to do so, to be approved by the City Attorney. Said bond must be joint and several and

the penalty thereof must be Five Thousand Dollars (\$5,000.00) and must be conditioned to be paid to the said City of Lodi or any person for any direct loss suffers<sup>2</sup> by dishonesty on the part of the principal in the conduct of his business as a used car dealer. Said bond may be sued and recovered upon from time to time by any person aggrieved until the whole penalty is exhausted, and shall remain in effect for one (1) calendar year subsequent to the issuance of a permit under Section 7 hereof.

Section 9. DENIAL OF PERMIT, APPEAL. If, upon completion of the investigation required in Section 6, the Finance Director denies the application for a permit, the applicant shall have the right to appeal such decision to the City Council, in writing. Upon receipt of any such appeal, the City Council shall set a date for a hearing which shall not be held more than thirty (30) days from the date of the receipt of said appeal. At such hearing the City Council shall hear any testimony pertinent to the applicant and the investigation thereof, and shall rule on the issuance or denial of the permit, which ruling shall be final and conclusive.

Section 10. PERMIT TO BE DISPLAYED; ADVERTISING. The permit of each person licensed as a used car dealer under the provisions of this ordinance shall be prominently displayed in the place of business of such dealer. There shall likewise be displayed on the front building facade of said place of business a sign which shall display the name of the person to whom the permit is issued, or his properly filed fictitious name, which sign shall be legible for not less than fifty (50) feet. No used car dealer shall advertise that he has for sale any used motor vehicle which is not actually for sale at his place of business at the time of advertisement.

Section 11, REVOCATION OF PERMIT. The violation of any City ordinance, County ordinance, State law, Federal Law, or the provisions of the bond required under Section 8 hereof shall be deemed sufficient grounds for revocation by the Finance Director of any permit granted under the provisions of Section 7.

Section 12, REVOCATION APPEAL. Upon revocation of a permit for cause by the Finance Director, permittee may appeal for a hearing before the City Council. Said City Council shall set a date for hearing, which shall not be more than thirty (30) days from the date of receipt of such appeal. At such hearing, said City Council shall hear all pertinent testimony offered and shall rule upon the decision of the Finance Director, which ruling shall be final and conclusive.

Section 13. PRIOR PERMITTEES. Any person holding a permit or license properly issued under the provisions of Ordinance No. 364 shall be issued a permit as required in this ordinance without payment of the fees stipulated, but shall be bound by all other provisions of this ordinance.

Section 14. VIOLATION PENALTY. Any person who violates this ordinance, or any provision herein, shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine of not to exceed Five Hundred Dollars (\$500.00), or by imprisonment in the City or County Jail for not more than six (6) months, or by both such fine and imprisonment, or if a corporation, be punished by a fine of not to exceed One Thousand Dollars (\$1,000.00),

Section 15. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be Invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the ordinance. The City Council declares that it would have passed this ordinance and each section, subsection, clause, sentence and phrase hereof, irrespective of the fact that any one or more other sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional,

Section 16. This ordinance may be referred to as the "USED CAR DEALERS' ORDINANCE" with the same effect as if referred to by its title, and shall be in force and take effect 30 days after its passage and approval.

I hereby approve Ordinance No. 402 this 1<sup>st</sup> day of March, 1950.

  
MAYOR OF THE CITY OF LODI

Attest:   
City Clerk

\*\*\*\*\*

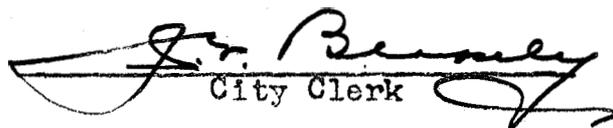
I hereby certify that the foregoing Ordinance No. 402 was regularly introduced in the City Council of the City of Lodi on the 15<sup>th</sup> day of February 1950 and was thereafter, on the 1<sup>st</sup> day of March 1950 regularly passed, adopted and ordered to print by the following vote:

AYES: Councilmen, Bull, Haskell, Lytle and Tolliver

NOES: Councilmen, None

ABSENT: Councilmen, Rinn

I further certify that Ordinance No. 402 was approved and signed by the Mayor on the date of its final passage and adoption.

  
City Clerk