



BUSINESS IMPACT STATEMENT

Title of Ordinance: 4.05 – Business License Fee Schedules

Anticipated City Council Meeting Date: October 6, 2020

Initiating Department: Finance Department, Business Operations Division

No.1 Will this ordinance impose, increase or change the basis for the calculation of a fee that is paid in whole or in substantial part by businesses? Check one:

Yes

No

If no, provide the explanation for preparing this Business Impact Statement for the proposed ordinance:

Pursuant to NRS Chapter 237, the following information has been prepared and filed with the City Clerk's office located at 240 Water Street, Room 102, Henderson, Nevada 89015.

No. 2 Description of the proposed ordinance:

City of Henderson's Business Operations Division is proposing changes to Henderson Municipal Code ("HMC") 4.05. The amendments to Chapter 4.05 include:

- Adding Cannabis delivery license classification and fee
- Adding Artisan's beer and wine room establishment liquor license classification and fee
- Adding Portable bar liquor license classification and fee
- Adding Sport venue establishment liquor license classification and fee

No. 3 Notification was sent to the following entities (check all that apply):

All active and expired liquor licensees as of August 17, 2020 totaling 419

Posted on Business License Web Page

No. 4 Summary of the comments gathered regarding the proposed ordinance:

No comments were received regarding the creation of the new license classifications and fees.

No. 5 Estimated economic effect on businesses by the proposed ordinance:

a. **Explain the adverse and beneficial effects:**

Adverse Effects:

Establishes a separate fee for cannabis delivery businesses, artisan's beer and wine room establishments, portable bars, and sport venue establishments. Businesses will need the new applicable license classification to conduct above business activities.

Beneficial Effects:

Future licenses in the newly created business license categories, will make additional revenue available to the City for public safety services, road repairs and other municipal services that are financed partly from business license fees.

b. Explain the direct and indirect effects:

Direct Effects:

The newly created license classifications will provide an avenue for licensure at a lesser cost for businesses operating in a way significantly different than provided for by existing license classifications.

Indirect Effects:

There are no readily identifiable indirect effects from the proposed changes to HMC 4.05.

No. 6 Describe the methods considered and/or used to reduce the impact of the ordinance:

Staff researched fee structures for similar licensing categories of other jurisdictions within the Las Vegas valley.

No. 7 Estimated cost of enforcement of the proposed rule:

Staff does not anticipate additional cost to administer and enforce the proposed ordinance.

No. 8 Estimated revenues expected to be generated by the proposed ordinance and the manner in which the money is to be used:

The proposed classifications will generate new revenue for the City. However, staff cannot estimate the amount of revenue that may be generated from such fees, as such revenue would depend on the number of applications that may be submitted to the City.

No. 9 Are the provisions of the proposed ordinance duplicative or more stringent than existing local, state, or federal standards?

Yes

No

If yes, explain:

No. 10 State the reasons for the conclusions regarding the impact of the proposed ordinance on businesses.

The new license classifications present opportunities for successful applicants that have not been available previously, and are anticipated to assist in drawing new business to the City of Henderson.

CAO Reviewed and Approved



Signature of Reviewing Attorney

9/22/20

Date

Certification of Business Impact Statement

I certify that, to the best of my knowledge or belief, the information contained in this Business Impact Statement was prepared properly and is accurate.



Richard A. Derrick
City Manager/CEO

9/22/20

Date

ORDINANCE NO.

(Add Henderson Municipal Code Section 4.05.197 – Cannabis Delivery Business and Amend Henderson Municipal Code Section 4.05.278 – Liquor License Origination Fees and License Fees and Section 4.05.420 – Business License Summary of Fees)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HENDERSON, NEVADA, TO ADD HENDERSON MUNICIPAL CODE SECTION 4.05.197 – CANNABIS DELIVERY BUSINESS AND AMEND SECTION 4.05.278 – LIQUOR LICENSE ORIGINATION FEES AND LICENSE FEES AND SECTION 4.05.420 – BUSINESS LICENSE SUMMARY OF FEES OF CHAPTER 4.05 – BUSINESS LICENSE FEE SCHEDULES OF TITLE 4 – BUSINESS REGULATIONS AND LICENSES - OF THE HENDERSON MUNICIPAL CODE.

WHEREAS, Ordinance 3583 was adopted on June 4, 2019; and

WHEREAS, Ordinance 3521 was adopted on September 18, 2018; and

WHEREAS, Ordinance 3483 was adopted on May 15, 2018; and

WHEREAS, Ordinance 3465 was adopted on January 16, 2018; and

WHEREAS, Ordinance 3443 was adopted on September 19, 2017; and

WHEREAS, Ordinance 3434 was adopted on September 5, 2017; and

WHEREAS, Ordinance 3352 was adopted on July 5, 2016; and

WHEREAS, Ordinance 3291 was adopted on October 6, 2015; and

WHEREAS, Ordinance 2023 was adopted on November 21, 2000; and

WHEREAS, Ordinance 1961 was adopted December 21, 1999; and

WHEREAS, Ordinance 1579 was adopted on June 20, 1995; and

WHEREAS, Ordinance 1301 was adopted on April 21, 1992; and

WHEREAS, Ordinance 113 was adopted on April 2, 1955; and

WHEREAS, the City has conducted a comprehensive review of the business license title; and

WHEREAS, updates are currently required to ensure consistency with the Nevada Revised Statutes and City policies and practices; and NOW, THEREFORE, the City Council of the City of Henderson, Nevada does ordain:

SECTION 1. Section 4.05.197 is hereby added as follows:

4.05.197 – Cannabis delivery business.

A. For each cannabis delivery business delivering medical or retail cannabis to natural persons within the city, the semiannual license fee shall be \$50.00 per vehicle used in the delivery or transportation of cannabis or cannabis related products to individuals within the city.

B. Deliveries must comply with all applicable provisions of NRS and NAC.

SECTION 2. Section 4.05.278 is hereby amended as follows:

4.05.278 - Liquor license origination fees and license fees.

See chapter 4.36 for licensing requirements.

Origination fees, in addition to the semiannual license fees listed in this section, are imposed for the following and are payable prior to issuance of license:

Beer, wine, and spirit-based products off-sale	\$1,000.00
Beer, wine, and spirit-based products on-sale	\$1,000.00
Beer, wine, spirit-based products, and liqueur tasting	\$500.00
Brew pub	\$10,000.00
Brew pub—Combo	\$60,000.00
<u>Artisan’s beer and wine room establishment</u>	<u>\$2,000.00</u>
Catering liquor	\$1,250.00
Craft distillery	\$15,000.00
Craft distillery—Combo	\$60,000.00
Estate distillery	\$15,000.00
Full liquor off-sale	\$10,000.00

Full liquor on-sale	\$20,000.00
Gift basket liquor	\$500.00
Golf course liquor	\$20,000.00
Grocery store internet and telephone liquor sales	\$2,500.00
Instructional wine-making facility	\$1,000.00
Liquor manufacturer	\$5,000.00
Nonprofit liquor	\$500.00
Nonrestricted/limited gaming liquor	\$90,000.00
<i><u>Portable bar operator</u></i>	<i><u>\$500.00</u></i>
Restaurant with bar	\$30,000.00
<i><u>Sport venue liquor establishment</u></i>	<i><u>\$10,000.00</u></i>
Tavern	\$60,000.00
Winery	\$10,000.00
Wholesale/import liquor	\$5,000.00

The licenses provided for in chapter 4.36 are issued on a semiannual basis, are not prorated, are fixed and established, and must be paid in advance by all persons receiving such licenses, respectively as follows:

Beer, wine, and spirit-based products off-sale	\$350.00
Beer, wine, and spirit-based products on-sale	\$350.00
Beer, wine, spirit-based products, and liqueur tasting	\$200.00
Brew pub	\$1,000.00

Brew pub—Combo	\$1,200.00
<i><u>Artisan's beer and wine room establishment</u></i>	<i><u>\$700.00</u></i>
Catering liquor	\$400.00
Craft distillery	\$1,000.00
Craft distillery—Combo	\$1,200.00
Estate distillery	\$1,000.00
Full liquor off-sale	\$750.00
Full liquor on-sale	\$750.00
Gift basket liquor	\$200.00
Golf course liquor	\$750.00
Grocery store internet and telephone liquor sales	\$500.00
Instructional wine-making facility	\$350.00
Liquor manufacturer	\$1,000.00
Nonprofit liquor	\$200.00
Nonrestricted/limited gaming liquor	\$1,500.00
<i><u>Portable bar operator</u></i>	<i><u>\$200.00</u></i>
Restaurant with bar	\$1,000.00
<i><u>Sport venue liquor establishment</u></i>	<i><u>\$1,000.00</u></i>
Tavern	\$1,200.00
Urban lounge	\$1,200.00

Winery	\$1,000.00
Wholesale/import liquor	\$1,000.00

SECTION 2. Section 4.05.420 is hereby amended as follows:

4.05.420 Business License Summary of Fees

HMC	License Classification/Description (See specific code section for details related to license classification.)	Semiannual Fee (Unless otherwise denoted)
4.05.105	Accounting firm	\$100.00 for the 1 st professional and \$75.00 for each additional professional. \$100.00 for each professional business located outside the city. (See section 4.05.070 for full details.)
4.05.110	Advertising business	\$75.00
4.05.115	Advertising space—Leasing or selling	\$290.00
4.05.117	Air ambulance service	\$200.00
4.05.120	Airline	\$250.00 for the principal location and \$100.00 for each ticket office or counter.
4.05.123	Alarm systems	\$65.00
4.05.124	Ambulance service	Nonrefundable ambulance service franchise application fee of \$1,000.00 as set forth in HMC

		subsection 4.80.130(A); and a semiannual fee of \$50.00.
4.05.125	Antique dealer	\$150.00
4.05.130	Apartment house or apartment complex	Less than 5 apartments – no license required. 5 to 10 apartments - \$35.00 Excess of 10 - \$35.00 plus \$2.50 for each additional apartment in excess of 10.
4.05.135	Architectural firm	\$100.00 for the 1 st professional and \$75.00 for each additional professional. \$100.00 for each professional business located outside the city. (See section 4.05.070 for full details.)
4.05.140	Astrologer	\$100.00
4.05.145	Auctioneer	\$250.00 Auction permit - \$50.00 (See section 4.08.080.)
4.05.150	Automobile leasing	\$75.00
4.05.153	Automobile pawnbroker	\$100.00
4.05.155	Automobile rental agency	\$125.00
4.05.160	Automobile towing	\$75.00
4.05.165	Bail bond agency, bail enforcement agency	\$100.00

4.05.170	Bank, savings and loan, thrift, trust company	\$500.00
4.05.175	Barbershop and cosmetology establishment	\$50.00 for the 1 st barber or cosmetologist; and \$25.00 for each additional barber or cosmetologist.
4.05.180	Bookkeeping	\$75.00
4.05.185	Bowling alley	\$25.00 for the 1 st alley and \$12.50 for each additional alley.
4.05.190	Broadcasting facility	\$75.00
4.05.195	Broker	\$50.00
<u>4.05.197</u>	<u>Cannabis delivery business</u>	<u>\$50.00 per vehicle used in the delivery or transportation of cannabis or cannabis related products to individuals within the city</u>
4.05.200	Car - Automobile dealership — New	\$4.00 per new vehicle \$2.00 per used vehicle \$1.00 per new vehicle —wholesale \$1.00 per used vehicle —wholesale Minimum fee is \$400.00
4.05.203	Check cashing and financial services	\$100.00
4.05.205	Collection agency	\$125.00
4.05.210	Commodities, securities, or mutual funds	\$330.00
4.05.215	Contract labor service	\$150.00
4.05.220	Contractor	\$100.00

4.05.225	Dental office	<p>\$100.00 for the 1st professional and \$75.00 for each additional professional.</p> <p>\$100.00 for each professional business located outside the city.</p> <p>(See section 4.05.070 for full details.)</p>
4.05.230	Designer or decorator	\$75.00
4.05.235	Distribution center	<p>\$225.00 For each distribution center licensed prior to December 31, 2017. For each distribution center licensed after December 31, 2017 the license fee shall be paid semiannually based on the gross revenue of the business pursuant to the schedule in subsection 4.05.010(C).</p>
4.05.237	Door-to-door solicitor and peddler	\$25.00
4.05.240	Employment agency	\$150.00
4.05.245	Engineering firm	<p>\$100.00 for the 1st professional and \$75.00 for each additional professional.</p> <p>\$100.00 for each professional business located outside the city.</p> <p>(See section 4.05.070 for full details.)</p>

4.05.250	Finance company	\$400.00
4.05.253	Gaming	<p>Bingo - \$250.00</p> <p>Keno - \$200.00</p> <p>Sports pool - \$300.00</p> <p>Race book - \$300.00</p> <p>All other live games - \$100.00 ea.</p> <p>Slots/gaming devices - \$35.00 per machines</p> <p>Slot Route Operator - \$200.00</p> <p>Gaming fees are due quarterly. Licensees are also subject to gaming tax as set forth in chapter 4.48.</p>
4.05.255	Gasoline, diesel, or motor vehicle fuel sales	\$0.55 per 1,000 gallons – Minimum fee \$200.00
4.05.257	Group care facility	\$100.00
4.05.010	Gross Revenue	See fee chart in section 4.05.010.
4.05.260	Hotel—Motel	<p>0 to 4 rooms – no license required.</p> <p>5 to 10 rooms - \$35.00</p> <p>Excess of 10 rooms - \$35.00 plus \$2.50 for each additional room in excess of 10.</p> <p>Licensees are also subject to transient lodging tax as set forth in chapter 4.48.</p>
4.05.265	Hypnotist	\$100.00
4.05.270	Insurance agency or company,	\$75.00 for the 1 st

	insurance adjusting firm	agent, broker, or insurance adjuster and \$50.00 for each additional agent, broker or insurance adjuster.
4.05.273	Inter-jurisdictional business	\$25.00 for each vehicle used within the city in pursuit of the business.
4.05.275	Law firm or law office	\$100.00 for the 1 st professional and \$75.00 for each additional professional. \$100.00 for each professional business located outside the city. (See section 4.05.070 for full details.)
4.05.278	Liquor license origination fees and license fees	
	Origination fees: (In addition to the semiannual license fees listed in this section, origination fees are imposed for the following and are payable prior to issuance of license.)	
	Beer, wine, and spirit-based products off-sale	\$1,000.00
	Beer, wine, and spirit-based products on-sale	\$1,000.00
	Beer, wine, spirit-based products, and liqueur tasting	\$500.00
	Brew pub	\$10,000.00
	Brew pub - combo	\$60,000.00

	<u>Artisan's beer and wine room establishment</u>	<u>\$2,000.00</u>
	Catering liquor	\$1,250.00
	Craft distillery	\$15,000.00
	Craft distillery - combo	\$60,000.00
	Estate distillery	\$15,000.00
	Full liquor off-sale	\$10,000.00
	Full liquor on-sale	\$20,000.00
	Gift basket liquor	\$500.00
	Golf course liquor	\$20,000.00
	Grocery store internet liquor sales	\$2,500.00
	Instructional wine-making facility	\$1,000.00
	Liquor manufacturer	\$5,000.00
	Nonprofit liquor	\$500.00
	Nonrestricted/limited gaming liquor	\$90,000.00
	<u>Portable bar</u>	<u>\$500.00</u>
	Restaurant with bar	\$30,000.00
	<u>Sport venue liquor establishment</u>	<u>\$1,000.00</u>
	Tavern	\$60,000.00
	Winery	\$10,000.00
	Wholesale/import liquor	\$5,000.00
	License fees:	
	Beer, wine, and spirit-based products off-sale	\$350.00
	Beer, wine, and spirit-based products on-sale	\$350.00

	Beer, wine, spirit-based products, and liqueur tasting	\$200.00
	Brew pub	\$1,000.00
	Brew pub - combo	\$1,200.00
	<i>Artisan's beer and wine room establishment</i>	<i>\$700.00</i>
	Catering liquor	\$400.00
	Craft distillery	\$1,000.00
	Craft distillery - combo	\$1,200.00
	Estate distillery	\$1,000.00
	Full liquor off-sale	\$750.00
	Full liquor on-sale	\$750.00
	Gift basket liquor	\$200.00
	Golf course liquor	\$750.00
	Grocery store internet liquor sales	\$500.00
	Instructional wine-making facility	\$350.00
	Liquor manufacturer	\$1,000.00
	Nonprofit liquor	\$200.00
	Nonrestricted/limited gaming liquor	\$1,500.00
	<i>Portable bar</i>	<i>\$200.00</i>
	Restaurant with bar	\$1,000.00
	<i>Sport venue liquor establishment</i>	<i>\$100.00</i>
	Tavern	\$1,200.00
	Urban Lounge	\$1,200.00
	Winery	\$1,000.00
	Wholesale/import liquor	\$1,000.00

4.05.280	Locksmith and safe mechanic	\$100.00
4.05.285	Management, marketing, or consulting service	\$75.00
4.05.305	Manufactured housing setup and repair	\$65.00
4.05.287	Massage establishment and Independent massage therapist	Massage establishment - \$100.00 plus \$25.00 for each massage therapist employed by the establishment. This does not include Independent Massage Therapists. Independent Massage Therapist - \$75.00
4.05.288	Marijuana-Medical marijuana fees	
	Application fee:	\$10,000.00
	Origination fees: (In addition to the semiannual license fees listed in this section, origination fees are imposed for the following and are payable prior to issuance of license.)	
	Class I medical marijuana establishment	\$60,000.00
	Class II medical marijuana establishment	\$80,000.00
	Class III medical marijuana establishment	\$100,000.00
	Class IV medical marijuana establishment	\$60,000.00
	Class V medical marijuana establishment	\$60,000.00
	Class VI medical marijuana establishment	\$60,000.00

	Independent testing laboratory	\$15,000.00
	License fees:	
	Class I medical marijuana establishment	3% of Gross Revenue ¹ / Min. \$25.00
	Class II medical marijuana establishment	3% of Gross Revenue ¹ / Min. \$25.00
	Class III medical marijuana establishment	3% of Gross Revenue ¹ / Min. \$25.00
	Class IV medical marijuana establishment	3% of Gross Revenue ¹ / Min. \$25.00
	Class V medical marijuana establishment	3% of Gross Revenue ¹ / Min. \$25.00
	Class VI medical marijuana establishment	3% of Gross Revenue ¹ / Min. \$25.00
	Independent testing laboratory	Gross Revenue ² / Min. \$25.00
	Indemnification fee:	\$25,000.00
4.05.289	Marijuana-Retail marijuana fees	
	Application fee:	\$1,000.00
	Origination fees: (In addition to the semiannual license fees listed in this section, origination fees are imposed for the following and are payable prior to issuance of license.)	
	Retail marijuana cultivation facility	\$60,000.00
	Retail marijuana production manufacturing facility	\$60,000.00

	Retail marijuana testing facility	\$15,000.00
	Retail marijuana store	\$60,000.00
	License fees:	
	Retail marijuana cultivation facility	3% of Gross Revenue ¹ / Min. \$25.00
	Retail marijuana production manufacturing facility	3% of Gross Revenue ¹ / Min. \$25.00
	Retail marijuana testing facility	Gross Revenue ² / Min. \$25.00
	Retail marijuana store	3% of Gross Revenue ¹ / Min. \$25.00
	Indemnification fee:	\$25,000.00
4.05.289.01	Marijuana distributor	\$50.00 per vehicle used in the delivery or transportation of marijuana or marijuana related products within the city
4.05.289.02	Marijuana management company	\$75.00
4.05.290	Medical office	\$100.00 for the 1 st professional and \$75.00 for ea. additional professional. \$100.00 for each professional business located outside the city. (See section 4.05.070 for full details.)
4.05.297	Mobile food vendor	Fee based on Gross Revenue – See fee chart in section

		4.05.010.
4.05.300	Mobile home park and/or Recreational vehicle park	1 to 20 spaces - \$50.00 Excess of 20 spaces - \$50.00 plus \$1.50 for each additional space in excess of 20. Each space rented for transient lodging shall also be subject to transient lodging tax as set forth in chapter 4.48.
4.05.310	Mortgage lending	\$330.00
4.05.295	Motion picture or television production	\$250.00
4.05.313	Non-medically supervised patient transfer service	\$50.00 per vehicle
4.05.315	Nurse	\$50.00
4.05.325	Office only	\$50.00
4.05.330	Pawnbroker	\$400.00
4.05.333	Private ambulance service	Nonrefundable ambulance service franchise application fee of \$1,000.00 as set forth in HMC 4.80.130 (A); and Fee based on Gross Revenue – See fee chart in section 4.05.010.
4.05.335	Private investigators and related occupations	\$100.00
4.05.340	Property maintenance	\$75.00
4.05.345	Psychic arts practitioner	\$100.00
4.05.020	Public utility licenses	
	Commercial mobile radio	All revenue received

	service	from the first \$15.00 charged monthly for each line of access.
	Electric service	5% of Gross Revenue
	Natural gas service	5% of Gross Revenue
	Sewer company	4% of Total Operating Revenue
	Telecommunications service	5% of Gross Revenue
	Video service	5% of Gross Revenue
	Water company	4% of Total Operating Revenue
4.05.350	Publisher	\$100.00
4.05.355	Real estate business	\$75.00 for the 1 st individual required to be license by the State of Nevada Real Estate Division and \$50.00 for each additional state license. (See section 4.05.355.)
4.05.357	Reflexology	Establishment - \$100.00 Reflexologist - \$100.00 each.
4.05.360	School	\$65.00
4.05.363	Secondhand dealer	\$125.00
4.05.364	Sexually oriented business	1% of Gross Revenue, except for escorts and outcall entertainers. Escorts and outcall entertainers - \$100.00.
4.05.365	Social work, behavioral therapy business	\$100.00 for the 1 st professional and \$75.00 for each additional professional.

		<p>\$100.00 for each professional business located outside the city.</p> <p>(See section 4.05.070 for full details.)</p>
4.05.367	Special event medical service	\$100.00
4.05.370	Surveying firm	\$75.00 for the 1 st professional land surveyor and \$50.00 for ea. additional professional land surveyor.
4.05.373	Teenage dancehall—Nightclub	Fee based on gross revenue – See fee chart in section 4.05.010.
4.05.375	Temporary sales <u>or service</u> permit	\$50.00
4.05.380	Title insurance company	\$300.00
4.05.385	Travel or ticket agency	\$50.00
4.05.400	Veterinary office	<p>\$100.00 for the 1st professional and \$75.00 for each additional professional.</p> <p>\$100.00 for each professional business located outside the city.</p> <p>(See section 4.05.070 for full details.)</p>
4.05.405	Warehouse, storage, or self-storage business.	\$100.00
4.05.410	Businesses not enumerated in schedule	Fee based on gross revenue – See fee chart in section 4.05.010.

¹A portion of gross revenue collections will be used for antidrug education programs to be administered by the police department.

² Each Independent testing laboratory shall pay semiannual license fees in accordance with section 4.05.010 beginning with the second semiannual license period from the date of issuance.

SECTION 3. If any section, subsection, sentence, clause, phrase, provision or portion of this Ordinance, or the application thereof to any person or circumstances, 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 or provisions of this Ordinance or their applicability to distinguishable situations or circumstances.

SECTION 4. All ordinances, or parts of ordinances, sections, subsections, phrases, sentences, clauses or paragraphs contained in the Municipal Code of the City of Henderson, Nevada, in conflict herewith are repealed and replaced as appropriate.

SECTION 5. A copy of this Ordinance shall be filed with the office of the City Clerk, and notice of such filing shall be published once by title in the Las Vegas Review-Journal, a newspaper having general circulation in the City of Henderson, at least ten (10) days prior to the adoption of said Ordinance (Initial Publication). Following adoption by the City Council, this Ordinance shall be published by title together with the names of the Councilmembers voting for or against passage (Final Publication). This Ordinance is scheduled for Final Publication on October 23, 2020, in the Las Vegas Review-Journal, at which time it will become effective.

END OF ORDINANCE