

City of Fernley
BUSINESS IMPACT STATEMENT

The following business impact statement was prepared pursuant to NRS 237.090 to address the proposed impact of the establishment of a redevelopment project area within the City of Fernley, pursuant to Nevada Revised Statute Chapter 279 Redevelopment of Communities. The proposed redevelopment project area would consist of land generally including the area along the U.S. Highway 50 corridor from the intersection of Mess Drive along Main Street past the intersection of U.S. Highway 50 and U.S. Highway 95A as well as several residential neighborhoods.

1. The following constitutes a description of the manner in which comment was solicited from affected businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.

A. Notice

Pursuant to NRS 237.080, the City of Fernley requested input from all interested parties through the methods identified in the following paragraphs.

The City prepared a questionnaire that asked for input regarding the potential impact to small businesses. On December 26, 2018, this questionnaire was sent with a copy of the proposed regulations to all members of the Fernley Chamber of Commerce.

The public notice was posted on the City website, www.cityoffernley.org, on December 26, 2018. The notice provided links to all information regarding the establishment of the Redevelopment Project Area No. 1.

A copy of the proposed amendment and the Business Impact Statement may be obtained by contacting the City of Fernley, 595 Silver Lace Boulevard, Fernley, NV 89408, (775) 784-9851, or crunterbrink@cityoffernley.org.

B. Summary of Comments

Staff received one written response. The response indicated that the proposed establishment of a Redevelopment District would not impose a direct and significant economic burden upon their business, or directly restrict the formation, operation or expansion of their business.

Staff also received two phone calls regarding the proposed Redevelopment District. One respondent was concerned about their travel center use being included in the Historic Downtown Sub-Area. Staff explained the names of the sub-areas were not intended to isolate certain businesses and that the City is proposing to create a single district comprised of multiple sub-areas. The second respondent was concerned the creation of the district would impact their current business operations. Staff explained the creation of a Redevelopment District did not constitute a rezoning of the property. Neither respondent

commented that the proposed Redevelopment District would impose a direct and significant economic burden upon their business, or directly restrict the formation, operation or expansion of their business.

2. The estimated economic effect of the proposed rule on businesses, including, without limitation, both adverse and beneficial effects, and both direct and indirect effects:

Adverse effects: *It is not anticipated the proposed legislation to establish a Redevelopment District will have any direct or indirect impact on current businesses.*

Beneficial effects: *It is anticipated the Redevelopment District will help to alleviate blighted conditions within the project area. The tax increment can be reinvested in the project area to enhance property tax revenues. The establishment of the Redevelopment District will provide a funding mechanism to improve the areas included in the district.*

Direct effects: *The proposed establishment of a Redevelopment District does not impose a direct economic burden upon a business nor restrict the formation or expansion of a business to comply with the proposed rules and regulations.*

Indirect effects: *The passing of this measure may have indirect effects. However, those effects cannot be quantified at this time.*

3. The following constitutes a description of the methods the local government considered to reduce the impact of the proposed rule on businesses and a statement regarding whether any, and if so which, of these methods were used:

Based on the written responses and staff's analysis and research, it does not appear that the proposed ordinance imposes a direct and significant economic burden upon a business nor directly restrict the formation or expansion of a business.

4. The governing body estimates the annual cost to the local government for enforcement of the proposed rule is:

The proposed legislation does not require the local government to enforce any provisions within the ordinance. The tax increment generated by the creation of the district would provide a potential funding mechanism to provide any enforcement deemed necessary.

5. The proposed rule provides for a new fee or increases an existing fee and the total annual amount expected to be collected is:

The establishment of a proposed redevelopment district is not a new tax. The establishment of the proposed redevelopment district would enable the proposed redevelopment agency to reinvest incremental property tax revenues, normally distributed to the City of Fernley, Lyon County, the Lyon County School District, and the State of Nevada, into the revitalization and development of property and new and existing businesses within the proposed redevelopment district. Other redevelopment agencies in Nevada (including, for example,

Boulder City, Carson City, Douglas County, Elko, Ely, and Henderson) have used these incremental property tax revenues to fund a variety of business recruitment, expansion and retention efforts.

6. The money generated by the new fee or increase in existing fee will be used by the local government to:

As mentioned previously, the establishment of the proposed redevelopment district would enable the proposed redevelopment agency to reinvest incremental property tax revenues, normally distributed to the City of Fernley, Lyon County, the Lyon County School District, and the State of Nevada, into the revitalization and development of property and new and existing businesses within the proposed redevelopment district. Other redevelopment agencies in Nevada (including, for example, Boulder City, Carson City, Douglas County, Elko, Ely, and Henderson) have used these incremental property tax revenues to fund a variety of business recruitment, expansion and retention efforts.

7. The proposed rule includes provisions that duplicate or are more stringent than federal, state or local standards regulating the same activity. The following explains when such duplicative or more stringent provisions are necessary:

The proposed change is not duplicative, or more stringent than existing federal, state or local standards.

Conclusion

The establishment of a Redevelopment District within the City of Fernley does not impose a direct and significant economic burden upon a business, nor does it directly restrict the formation, operation or expansion of a business. The proposed ordinance complements the strict regulatory structure set forth in Nevada Revised Statutes 279 and ensures the health, safety and general welfare of the citizens of the city is protected.

CERTIFICATION REQUIRED PER NRS 237.090(2):

I, Daphne Hooper, as City Manager for the City of Fernley, hereby certify that, to the best of my knowledge and belief, the information contained in this business impact statement was prepared properly and accurately.

Dated this _____ day of _____, 2019

Daphne Hooper, City Manager
City of Fernley