

City of Fernley
Liquor License Impact Statement
License Fee Restructure 2018

The following Business Impact Statement was prepared pursuant to NRS 237.090 to address the proposed impact of revising the City of Fernley liquor license fee schedule relating to businesses identified as Wholesaler/Distributor of liquor. The current fee schedule identifies liquor Distributors/Wholesalers as an Out of Town Business which pays \$150.00 per year. Staff is suggesting these businesses are moved to the Liquor Distributor/Wholesaler category that already exists in our Fernley Municipal Code, Title 4 Alcohol. The proposal will increase the fee these businesses pay to \$600.00 per year.

1. The following constitutes a description of the number and 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. (*List all trade association or owners and officers of businesses likely to be affected by the proposed rule that have been consulted*).
 - a. Manner in which comment was solicited from affected businesses:
 - i. Notices were mailed on September 25, 2018 to 4 businesses identified as wholesaler/distributor of liquor. The notice included an explanation of the proposed changes, an invitation to attend one (1) public workshop, and a public comment form.
 - ii. The Public Workshop was scheduled for October 9, 2018 at 5pm. It was published in the Reno Gazette Journal News on October 3, 2018. The workshop was held at Fernley City Hall.
 - iii. A notice was posted to the City website, www.cityoffernley.org, providing links to the public comment form and the workshop invitation.
 - iv. The notice, public comment forms and the fee example were made available at the City Clerk's office at 595 Silver Lace Blvd, Fernley, NV. 89408
 - b. Summary of responses and an explanation of the manner in which other interested persons may obtain a copy of the summary.
 - i. One business representative attended the workshop. He commented in writing, see attached. He suggested implementing a proposed tiered system instead of a flat fee.
 - ii. No other comments either in favor of or opposed to the proposed changes were provided.
 - iii. A copy of this summary can be obtained from the City Clerks office.

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:
 - a. A total of 4 notices were sent out and 1 comment was received. The effects and benefits named in the comments are summarized below.
 - i. Adverse effects:

Participant believes increasing the City of Fernley fee to \$600.00 per year would make Fernley their most expensive license fee. Which could result in charging a higher delivery surcharge the Fernley area.
 - ii. Beneficial effects:

This increase will create no benefit for the company.
 - iii. Direct effects:

Participant believes the company may lose additional customers.
 - iv. Indirect effects:

Additional revenue would help the City of Fernley grow which could help the company grow as well.
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: *(Include whether the following was considered: simplifying the proposed rule; establishing different standards of compliance for a business; and if applicable, modifying a fee or fine set forth in the rule so that business could pay a lower fee or fine).*
 - a. At first staff proposed increasing the fee from \$150.00 to \$600.00. After the public comment period, staff will propose to City Council that the fee be increased to \$300.00 the first year with three \$100.00 increases annually for the next consecutive three years.
4. The governing body estimates the annual cost to the local government for enforcement of the proposed rule is:
 - a. No additional cost is predicated
5. (If applicable, provide the following:) The proposed rule provides for a new fee or increases, and existing fee and the total annual amount expected to be collected is:
 - a. \$ 1,800, at the end of 4 years
6. The money generated by the new fee or increase in existing fee will be used by the local government to:
 - a. Improve and maintain City infrastructure and roads.
7. (If applicable, provide the following:) 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:

- a. The category of Wholesale/Distributor of liquor currently exists in the City of Fernley Municipal Code, but the category was not recognized in the fee schedule. This Business Impact Statement seeks to bring this discrepancy into compliance.

Certification required per NRS 237.090(2):

I, Daphne Hooper, as City Manager of 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 13 day of December 2018.



Daphne Hooper, City Manager