

CITY OF FERNLEY
RESOLUTION # 18-017

A RESOLUTION OF THE CITY OF FERNLEY MODIFYING
BUSINESS LICENSE FEE SCHEDULE

WHEREAS, the City of Fernley, a political subdivision of the State of Nevada, organized pursuant to the provisions of NRS Chapter 266; and,

WHEREAS, the City Council established business licenses fees on July 12, 2001, by Resolution #01-003; and,

WHEREAS, the City Council wishes to adopt this resolution which will enable the City to impose fees for businesses categorized as industrial, warehouse, manufacturing or distribution based on the square footage of building(s) used or gross receipts, whichever is higher; and,

WHEREAS, this resolution also provides licensing fees for wholesale/distributors of liquor which will pay \$300.00 annual license fees for 2019, \$400.00 for 2020, \$500.00 for 2021 and \$600.00 for 2022; and,


WHEREAS, this resolution also enables the City to update the business license fees for marijuana establishments which will pay quarterly license fees not to exceed 3 percent of gross revenue (as established by NRS 453 A and D); and,


NOW, THEREFORE, BE IT RESOLVED, that the updated language, listed in Exhibit "A", becomes effective January 3, 2019

PASSED, APPROVED AND ADOPTED this 2th day of January 2019, by the following vote of the Council:

AYES: 5 NAYS: 0 ABSTENTIONS: 0 ABSENT: 0

FERNLEY CITY COUNCIL

By: 
Roy Edgington, Mayor

ATTEST:

Kim Swanson, City Clerk

Resolution # 18-017
City of Fernley
BUSINESS LICENSE FEE SCHEDULE
Exhibit "A"
Effective January 3, 2019

Pursuant to Fernley Municipal Code, any business, commercial enterprise, trade, occupation, calling, profession, vocation, or activity engaged in, conducted, carried on by any person, his agent or employee in an attempt and with the intent to gain business for profit or having conducted business within the City of Fernley shall be required to obtain a business license and pay the following fees:

Application Fee

Every business shall pay the non-refundable application fee. \$25.00

Reprint/Change of Information Fee

\$15.00

Late Fees

Fees are expected to be paid immediately upon application. Renewal fees are required to be paid prior to the license expiration date. Failure to pay these fees will result in late fees as follows:

1. A late fee of 25% will be assessed to the annual fee on the 30th day following the expiration date.
2. An additional late fee of 25% will be assessed to the delinquent license fee on the 60th day following the expiration date.

Background Investigation Fees are set by the authorized agency conducting the investigations.

Annual Gross Receipts Business License Fee Schedule:

Pursuant to Fernley Municipal Code, all businesses or individuals, with a physical address within the City of Fernley, who provides a service or sells physical products as an industrial, retail or commercial business office within City limits with the intent and in an attempt to gain business in the City of Fernley are subject to their annual business license fees being calculated using the gross receipts fee schedule. Marijuana establishments will use the fee schedule adopted in this resolution as determined by the type of establishment operated.

Contractors that use their home as their office shall pay business license fees according to gross receipts earned in Fernley only.

If your business is subject to Gross Receipts per Fernley Municipal Code your business license fees are as follows:

1. New businesses securing a license under the gross receipts fee schedule will pay license fees based on the first 12 months estimated gross receipts, in addition to the \$25 application fee above.
2. For no additional fee, businesses whose annual license fees exceed \$10,000 per fiscal year may request to pay license fees quarterly.

<u>If total annual gross receipts are:</u>	<u>The fee is:</u>
0 - \$250,000	\$100.00
\$250,000 - \$400,000	\$275.00
Over \$400,000	\$300 + \$1 for every \$10,000

Annual Industrial, Warehouse, Manufacturing or Distribution Business License Fee schedule:

Business license fees are based on square footage of the building(s) used for the business operations based on the table below or gross receipt revenue, **whichever is greater**.

Proposed Square Foot Pricing:	
1 - 10,000	\$ 0.09
10,001 - 50,000	\$ 0.07
50,001 - 100,000	\$ 0.05
100,001 - 250,000	\$ 0.03
250,0001+	\$ 0.01

Businesses EXEMPT from Gross Receipts

The following businesses shall NOT be subject to the gross receipts fees listed above and shall be charged fees as follows. These fees are in addition to the application fee noted above:

Financial Institutions

Any business engaged in the banking business, savings, and loan, credit union or lending institution. This does not include short-term loans or payday loans.

Annual Fee
 \$100.00
 Plus \$60 per one million dollars. (total average deposits per year or fraction thereof, per branch)

Home Occupation Business License

A person, excluding contractors, conducting business out of their residence and whose business complies with the home occupation regulations of the City of Fernley Development Code

Annual Fee
 \$75.00

Manufactured/Mobile Home Parks

A parcel of land upon which two or more mobile or manufactured homes have been set for occupancy, not on individual parcels of land

Fee – Include All Units

Up to 10

Annual
 \$100.00

11 – 20	\$200.00
21 – 50	\$300.00
51-75	\$400.00
76-100	\$500.00
Each additional unit	\$10.00/Unit

Out of Town Business

A person or business conducting sales or services within the City limits without a physical address in the City.

	<u>Annual Fee</u>
Up to 50 employees	\$150.00
51 +	\$250.00

Wholesaler/Distributor of Liquor

Wholesale licenses, which shall permit the maintenance of a wholesale liquor establishment within the city for sale to licensed retail liquor establishments or licensed wholesale, but not to consumers or general public.

	<u>Annual Fee</u>
As of January 2019	\$300.00
As of January 2020	\$400.00
As of January 2021	\$500.00
As of January 2022	\$600.00

Recreational Vehicle Park

A recreational vehicle park where travel trailers, pick-up campers, camping trailers, motor coach homes, converted trucks or buses, etc. can park temporarily.

<u>Annual Fee</u>
\$200.00

Residential Rental Dwellings/Residential Landlord - Includes Multi-Family & Single Family Dwellings

Multi-Family Dwelling: A building or buildings which are occupied or which are arranged, designed, and intended to contain more than one dwelling unit, but not including hotels, motels, boarding houses or otherwise provided accessory dwellings. Includes but is not limited to, duplex, tri-plex, four-plex units, apartments, townhouses, and condominiums.

- Any person who owns less than 4 residential rental units is exempt from the business license requirement.

Single-Family Dwelling: A single detached building which is occupied by not more than one family, and which contains not more than one dwelling unit.

- Any person who owns less than 4 residential rental units is exempt from the business license requirement

<u>Annual Fee</u>
\$100.00
\$5.00 per unit

Solicitors, Peddlers, Temporary Merchants – Subject to background investigation

An individual, regardless of whether a resident of the City, traveling by foot, automobile, motor vehicle, or any other type of conveyance, from place to place, from house to house, from street to street, from door to door, attempting to take orders for goods or services or distributing, disseminating or gathering information for sale of goods, wares and merchandise, personal property of any nature whatsoever for future delivery, or for services to be furnished or performed in the future.

	<u>Per individual</u>
1-5 days	\$30.00
6-15 days	\$50.00
16-30 days	\$65.00
31-90 days	\$100.00
Annual license fee if the business has a physical location in the City	\$75.00

Theater

Indoor or outdoor facility for showing motion pictures, videos, or for staging theatrical performances to an audience

<u>Annual Fee</u>
\$ 200.00
+ \$1.00 per seat

Traveling Show/Carnival:

Entertainers who go from place to place performing a variety of acts, wild animal routines and physical skills, games, and amusement rides or similar type conduct.

<u>Per day</u>
\$100.00

Vendor at a Special Event

A person who either as principal or agent engages in a temporary or transient business either in one locality or in traveling from place to place buying or selling goods, wares, or merchandise

1 – 5 days	\$ 25.00
6 or more days	\$ 5.00/per day

Specialty Business Licenses

Liquor License Fees: *Not subject to Gross Receipts*

Investigation Fee: as set by Lyon County Sheriff's Office

	<u>Startup Fees:</u>
Liquor	\$1,000.00
Beer & Wine	\$500.00
	<u>Annual Fees:</u>
Saloon/Bar Annual fee	\$900.00
Retail/Package Goods Annual Fee	\$800.00
Beer & Wine Annual Fee	\$600.00
Liquor License Catering	\$20.00

SPECIALITY LICENSES - Subject to Gross Receipts:

The following Specialty Businesses shall be charged according to the Annual Gross Receipts Fee Schedule above plus the annual fee listed for each business type in addition to the \$25 application fee if applicable. Specialty Licenses shall also be subject to a background investigation and shall pay the required fees.

(A) Auto Pawn:

A pawnbroker who loans money on the security of any vehicle or other transportation device

Annual Fee
\$500.00
Plus, Gross Receipts

(B) Check Cashing Service/Payday Loan Service:

Any person engaged in the business of chasing checks for a fee, service charge or other consideration.

Annual Fee
\$200.00
Plus, Gross Receipts

(C) Pawnbrokers:

A person engaged in the business of loaning money on the security of pledges, deposits or other secured transactions in personal property

Annual Fee
\$500.00
Plus, Gross Receipts

(D) Second Hand Dealer:

Any person who engages in the business of buying, selling or exchanging goods that are previously owned or recycled.

Annual Fee
\$200.00
Plus, Gross Receipts

(E) Sexually Oriented Businesses:

Any business, if permitted by Fernley Development Code, that offers services, materials, goods, or products which are characterized by an emphasis on matter depicting, describing, or relating to nude or semi-nude persons or sexual activities between persons or observation thereof.

All businesses in this category will pay a onetime set up fee of: \$4,000.00

I. **Brothels:**

Number of Rooms

1-10

11-20

Annual Fee
\$ 48,000.00
\$ 60,000.00
Plus, Gross Receipts

II. **Entertainers/Independent Contractors** Shall pay for a separate business license using the Annual Gross Receipts Fee Schedule.

III. **Adult Movie Theaters:**

Annual Fee

\$1,600.00
Plus, Gross Receipts

IV. **Topless Bar:**

Annual Fee
\$1,600.00
Plus, Gross Receipts

(F) **Title Loan:**

Any person engaged in the business of securing a loan by either giving possession of the title to a vehicle legally owned by the customer to the licensee or any agent, affiliate or subsidiary of the licensee; or perfecting a security interest in the vehicle by having the name of the licensee or any agent, affiliate or subsidiary of the licensee noted on the title as a lienholder.

Annual Fee
\$500.00
Plus, Gross Receipts

(G) **Kennel** - Not subject to a background investigation

A place of business where dogs, cats and other domestic (non-farm) animals for boarding, breeding, training grooming, treating, sale or other commercial purpose with the exception of veterinary clinics or pet shops, unless otherwise defined in the Fernley Development Code.

Annual Fee
\$50.00
Plus, Gross Receipts

(H) **Mobile Vendor** - Not subject to a background investigation

Any person, including an employee or agent of another, who sells or offers to sell food, beverages, goods, services or merchandise from a motor vehicle, trailer or other mobile unit.

Annual Fee
\$80.00
Plus, Gross Receipts
Over \$30,000

Marijuana Establishments

License fees for marijuana establishments that hold only a state-issued license authorized by NRS 453A and NRS 453B shall be paid as follows:

Application fee: Each applicant for any marijuana establishment license as identified in this resolution shall pay to the city at the time of application for preliminary finding of sustainability for a marijuana establishment, a non-refundable application fee in the amount of \$5,000.00

License fees for medical marijuana establishments

(A) **Medical marijuana independent testing laboratory**

Annual fee
Shall pay per the Gross Receipts Fee Schedule on page 2.

(B) Medical marijuana cultivation facility

Quarterly fee

~~3%~~ of the establishment's gross receipts for the immediately preceding quarter

(C) Medical marijuana facility

For the production of edible marijuana products or marijuana-infused products

Quarterly fee

~~3%~~ of the establishment's gross receipts for the immediately preceding quarter

(D) Medical marijuana dispensary

Quarterly fee

~~3%~~ of the establishment's gross receipts for the immediately preceding quarter

(E) Medical marijuana distributor

Quarterly fee

~~3%~~ of the establishment's gross receipts for the immediately preceding quarter

License fees for retail marijuana establishments.

(F) Marijuana independent testing laboratory

Annual fee

Shall pay per the Gross Receipts Fee Schedule on page 2.

(G) Marijuana cultivation facility

Quarterly fee

3% of the establishment's gross receipts for the immediately preceding quarter

(H) **Marijuana facility**

For the production of edible marijuana products or marijuana-infused products

Quarterly fee

3% of the establishment's gross receipts for the immediately preceding quarter

(I) **Marijuana dispensary**

Quarterly fee

3% of the establishment's gross receipts for the immediately preceding quarter

(J) **Marijuana distributor**

Quarterly fee

3% of the establishment's gross receipts for the immediately preceding quarter

Public Utility Providing Service with the City Franchise Fees

Telecommunications Companies

4% of gross revenue

Electric Energy Providers

4% of gross revenue

Gas Providers

5% of gross revenue

Commercial Mobile Radio Services

3% of gross revenue

Beginning with the first \$15 for each line of access for each of the utility's customers located within the City.