



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** December 17, 2020

Staff Contact: Nancy Paulson, City Manager

Agenda Title: For Possible Action: Discussion and possible action regarding a proposed emergency ordinance establishing a moratorium on the collection of fees for the renewal of a business license. (Nancy Paulson, npaulson@carson.org)

Staff Summary: This agenda item is for the consideration and possible adoption of a proposed emergency ordinance to establish a moratorium on the collection of fees for the renewal of a business license. Because this is an emergency ordinance that is introduced pursuant to Art. 2, Sec. 2.110 of the Carson City Charter (“Charter”), two separate readings of the ordinance are not required but the ordinance may only be passed by unanimous consent of the full, current membership of the Board of Supervisors (“Board”), thereby requiring four votes in favor of the ordinance with one current vacancy.

Agenda Action: Formal Action / Motion **Time Requested:** 10 mins

Proposed Motion

I move to adopt Bill No. _____, Ordinance No. 2020-_____.

Board's Strategic Goal

Efficient Government

Previous Action

On December 3, 2020, the Board directed staff to coordinate with the District Attorney’s Office to prepare a draft ordinance for the purpose of establishing a moratorium on the collection of fees for the renewal of a business license for calendar year 2021.

Background/Issues & Analysis

Because this ordinance is proposed as a means to facilitate some degree of financial assistance to local business owners who are presumably suffering economic hardship as the result of certain operating restrictions imposed by the State of Nevada in response to the COVID-19 pandemic, the ordinance properly qualifies as an “emergency” ordinance under Art. 2, Sec. 2.110 of the Charter. Ordinarily, both that provision of the Charter and NRS 244.095 to 244.115, inclusive, require two readings of a proposed ordinance for passage and adoption. But because this is an emergency ordinance, passage and adoption or “final action” may be taken immediately by the Board during one meeting.

However, the ordinance may only be passed by unanimous consent of the full, current membership of the Board, which would normally be five members. Because the Office of the Mayor is vacant, with Supervisor Brad Bonkowski serving as the Acting Mayor / Mayor Pro Tempore, four affirmative votes would be required to successfully carry a motion in favor of adopting the ordinance. In addition, although publication of the notice of filing of the ordinance is waived because that occurs in between first and second readings and there is no

second reading for this ordinance, one publication of the title in a newspaper in Carson City is still required by Art. 2, Sec. 2.110(4) of the Charter before the ordinance may become effective.

If adopted, this ordinance will:

1. Require City staff to issue the renewal of a business license for calendar year 2021 and simultaneously prohibit the collection of fees ordinarily required for the renewal.
2. Require appropriate City staff to identify any person who has already remitted his or her renewal fee for calendar year 2021 and, in consultation with the City Manager, adopt a uniform process pursuant to which a refund or credit is issued to the person.

This proposed emergency ordinance does not apply to marijuana establishments, medical marijuana establishments or the holder of a business license that is expired or suspended, cancelled or revoked pursuant to Carson City Municipal Code ("CCMC") Chapter 4.04. These foregoing business owners would still be required to pay their customary renewal fees. Additionally, this ordinance does not apply to any other fee or payment that may be required by CCMC to renew a business license.

Finally, if adopted, both the ordinance and the moratorium established by the ordinance would expire by limitation at the end of the current fiscal year on June 30, 2021. Based on staff expectations, the expiration date provides sufficient time for staff to carry out the provisions of the ordinance.

The substantive text of the ordinance is not assigned a CCMC section number because the ordinance is not required or intended to be codified.

Applicable Statute, Code, Policy, Rule or Regulation

NRS Chapter 244; Article 2 of the Carson City Charter

Financial Information

Is there a fiscal impact? Yes

If yes, account name/number: General Fund / Business Licenses – 1011080-421100

Is it currently budgeted? No

Explanation of Fiscal Impact: Business license revenues in the past have been \$594,771 for FY 2018, \$633,166 for FY 2019 and \$430,037 for FY 2020. For FY 2021, business license revenue is budgeted at \$640,000; the City has so far received \$123,058 in business license revenue. Approval of this item would reduce revenue by approximately \$600,000 for FY 2021.

Alternatives

Do not adopt the ordinance.

Attachments:

[Ord_2020_Business License Renewal Fee Moratorium.docx](#)

Board Action Taken:

| | | |
|---------------|----------|---------|
| Motion: _____ | 1) _____ | Aye/Nay |
| | 2) _____ | _____ |
| | | _____ |
| | | _____ |
| | | _____ |

(Vote Recorded By)

Summary: Establishes a moratorium on the collection of fees for the renewal of a business license.

BILL NO. _____

ORDINANCE No. 2020 - _____

AN ORDINANCE RELATING TO BUSINESS LICENSING FEES; ESTABLISHING A MORATORIUM ON THE COLLECTION OF FEES FOR THE RENEWAL OF A BUSINESS LICENSE; AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO.

The Board of Supervisors of Carson City do ordain:

SECTION I:

1. The Board hereby finds and declares that:

(a) As a result of the global pandemic caused by the novel coronavirus, known as COVID-19, certain health measures to mitigate against the exposure to and transmission of the infectious disease have necessarily been implemented by the Governor of the State of Nevada;

(b) Such health measures have severely impacted the continued operation of state and local businesses in an unprecedented manner, including the mandatory reduction of permissible operating hours and capacity, and thereby adversely affecting the financial viability of those businesses; and

(c) Therefore, in recognition of the serious consequences to the community, families and individual owners of businesses, it is the purpose and effect of this section to impose a moratorium on the collection of fees for the renewal of a business license pursuant to chapter 4.04 of CCMC.

2. Notwithstanding any other provision of CCMC, the city:

(a) Will issue the renewal of a business license in the ordinary course of business and within the customary period of time to any holder of a business license who requests such renewal to lawfully operate a business in calendar year 2021 pursuant to chapter 4.04 of CCMC; and

(b) Will not collect or require the payment of a fee for the renewal of a business license that would ordinarily be collected from or required to be paid by the holder of a business license to lawfully operate a business in calendar year 2021 pursuant to chapter 4.04 of CCMC.

3. The appropriate departments of the city shall:

(a) Identify each holder of a business license, if any, who has already remitted payment for the renewal of his or her business license for calendar year 2021 and, in consultation with the City Manager, adopt a uniform process pursuant to which a

refund or a credit for the next calendar year will be provided to that person, whichever process is determined to be the most efficient and equitable at the discretion of the City Manager; and

(b) Prepare and implement the necessary administrative tasks to carry out the provisions of this section as soon as reasonably practicable.

4. This section does not apply to:

(a) A marijuana establishment or a medical marijuana establishment;

(b) The holder of a business license that is expired or suspended, cancelled or revoked pursuant to chapter 4.04 of CCMC; or

(c) A fee or payment required by any other provision of CCMC.

5. As used in this section:

(a) "Board" means the Board of Supervisors.

(b) "Business" has the meaning ascribed to it in subsection 5 of CCMC 4.04.005.

(c) "Marijuana establishment" has the meaning ascribed to it in subsection 17 of CCMC 4.04.005.

(d) "Medical marijuana establishment" has the meaning ascribed to in subsection 24 of CCMC 4.04.005.

SECTION II:

That no other provisions of the Carson City Municipal Code are affected by this ordinance.

PROPOSED on _____, 2020.

PROPOSED by _____.

PASSED on _____, 2020.

VOTE: AYES: SUPERVISORS: _____

 NAYS: SUPERVISORS: _____

Brad Bonkowski
Acting Mayor /
Mayo Pro Tempore

ATTEST:

Aubrey Rowlatt
Clerk-Recorder

This ordinance:

1. Shall be in force and effect from the 19th day of the month of December of the year 2020; and
2. Expires by limitation on June 30, 2021.