

BUSINESS IMPACT STATEMENT

BILL NO. 2023-28

(Amends LVMC Title 6 to add a new chapter pertaining to the licensing and regulation of sidewalk vendors, as authorized and directed by State law)

This business impact statement was prepared pursuant to NRS 237.090 to address the impact of the contents of a proposed ordinance, Bill No. 2023-28, that will amend LVMC Title 6 to add a new chapter pertaining to the licensing and regulation of sidewalk vendors, as authorized and directed by State law.

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

It is not known how many existing or potential sidewalk vendors might be affected by the proposal. However, in an effort to reach out to a representative group of businesses, the City sent email notifications to approximately 3,410 business licensees in various business license categories. Notifications were sent by US mail to approximately other 20 businesses whose email addresses were unknown. In addition, notification was published in the Legal Notices portion of the October 8, 2023, edition of the Las Vegas Review Journal. Additional email notifications were sent to approximately 37 other recipients, consisting of chambers of commerce, trade associations, and other stakeholders believed to have an interest. Included in that list were the following chambers of commerce and trade associations:

Asian Chamber of Commerce
Gay and Lesbian Chamber of Commerce
Henderson Chamber of Commerce
Las Vegas Chamber of Commerce
Latin Chamber of Commerce
Urban Chamber of Commerce
Women's Chamber of Commerce-Nevada
NAIOP

The draft language of the proposal was made available on the City's website. Recipients and viewers of the notification were invited to respond in writing and to submit comments, data or arguments regarding whether the proposal would impose a direct and significant economic burden upon a business or directly restrict the formation, operation, or expansion of a business. Although there were no formal requests by chambers of commerce or trade organizations for workshops to be held, the City engaged in various outreach efforts regarding the proposal—including the organization and presentation of two on-line workshops and two in-person workshops.

The City received a total of 32 written responses, 24 by email and 8 by online survey. Approximately 16 responses appeared to have been provided by or behalf of existing or future sidewalk vendors—the group representing those whom the ordinance will regulate. Those responses suggested that the proposed locational limitations might be too restrictive and could affect the ability of sidewalk vendors to be successful or as successful as desired. Additional comments from this group suggested that the proposed license-related fees were too high and that the licensing and related processes should be made as simple and straightforward as possible.

Several responses were from persons interested in the proposal but without any expressed business connection. Some of those were in favor of the proposal and others not.

Finally, a number of responses were received from owners of businesses or property who expressed opposition or concern about the effect of sidewalk vending on their businesses or property. In large part, respondents from this group were opposed to the idea of sidewalk vending itself or suggested that the regulations on vendors be stricter than proposed. Although the impact of street vending itself and this proposal in particular is not the type of regulatory business impact contemplated by the business impact requirements of NRS Chapter 237, the input from those owners and operators is reported here to acknowledge that it was provided and will be considered in the course of the process.

The preceding four paragraphs are the means by which the summary of responses is made available to interested persons.

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

Adverse effects:

Representative respondents from the group to be affected by the regulatory impact of the proposal indicated that the proposal, particularly the locational restrictions and license-related fees, would make it difficult or more to operate successfully.

Beneficial effects:

Provides opportunities for sidewalk vending that have not existed before.

Direct effects:

See adverse and beneficial effects above.

Indirect effects:

None identified.

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

Not applicable, although it is anticipated that additional changes to reduce the impact will be forthcoming during the adoption process.

4. The estimate of the annual cost to the local government for enforcement of the rule is:

\$18,220 (calculated with reference to the estimated salary expense annually for 4 License Officers to enforce the proposal).

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

Most existing sidewalk vendors will not have obtained a business license before the adoption of this proposal. Therefore, it is unknown how many new vendors will come forward for licensing. However, it is estimated that approximately 25 such vendors might seek licensing to operate within the City under the proposal. With that estimate, the City would collect \$5,000 in license and processing fees for the first year.

6. If the rule provides for a new fee or increases an existing fee, the money generated by the new fee or increase in existing fee will be used by the local government to:

Offset the costs associated to monitoring sidewalk vending activity to ensure compliance with the proposed ordinance.

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

The proposal includes license fees and additional operational and locational restrictions that are authorized (but not mandated by) State law. The proposed restrictions have been based on consideration of impacts on neighborhoods, businesses and enforcement.

8. The reasons for the conclusions regarding the impact of the rule on businesses:

The proposal represents a balanced approach that responds to both the requirements and limitations of State law and includes localized aspects to help facilitate and manage the sidewalk vending operations that are the focus of State law and this proposal.

CERTIFICATION

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.

By: 
City Manager

Date: November 6, 2023