

**BUSINESS IMPACT STATEMENT
BILL NO. 2023-3**

(Amends various provisions of LVMC Chapter 6.95 and Title 19.12 to include cannabis consumption lounges, and repeals LVMC Chapter 6.96 in its entirety)

This business impact statement was prepared pursuant to NRS 237.090 to address the impact of the contents of a proposed ordinance, Bill No. 2023-3, that will amend various provisions of LVMC Chapter 6.95 and Title 19.12 to include cannabis consumption lounges, and repeal LVMC Chapter 6.96 in its entirety.

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.

Notification of the proposal was provided by email to approximately 197 businesses deemed likely to be impacted or interested in the proposal, and to 17 other organizations either representative of business or identified as community partners. The draft language of the proposal was made available on the City's website and at the office of the City's Business Licensing Division. Recipients 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.

The City received no written responses to the solicitation.

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:

None identified.

Beneficial effects:

Provide for regulation of these businesses consistent with the public interest and State law.

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.

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

Approximately \$17,761. This amount represents the estimated annual salary expense allocated for an auditor, investigator and license officer 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:

Approximately \$214, 689. This estimate is based on the following assumptions: 1) the anticipation that 7 cannabis consumption lounges will be licensed in the City and pay the \$10,000 origination fee, and 2) a minimum 10% increase in gross revenue for the consumption lounge activity for each location, based on an average of total gross revenue figures from 2019 to 2022.

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 the new establishments to ensure they are compliant with State and local requirements and are reporting gross revenue appropriately

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:

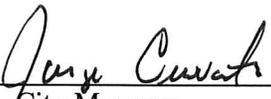
None identified.

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

Any impact of the proposal on affected businesses is determined to be minimal in relation to the authorization provided.

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: December 19, 2022