



City Council Regular Agenda Item 17.

Subject:

Consideration of the introduction of Bill No. 495 Amending Mesquite Municipal Code Title 2 Chapter 1, Section 2-1-5 Entitled "Payment of License Fees," Subsection Entitled "Liquor License Fees;" And Chapter 4, Section 2-4-23 Entitled "Origination Fees and License Renewal Rates;" and other matters properly related thereto.

- Discussion and Possible Action

Petitioner:

Mayor Allan S. Litman

Staff Recommendation:

Introduce Bill No. 495 as Ordinance No. 495, and set the public hearing date for July 12, 2016 at 5:00 p.m.

Fiscal Impact:

Passage of this Bill could result in an increase in business license fees to the City from Off-Sale Liquor Licensees. See Fiscal Impact Statement.

Budgeted Item:

No

Background:

The introduction of this Bill was continued from the May 24, 2016 Council meeting. Council asked that additional research be done to obtain more accurate numbers on the expected business impacts and revenues to be

generated. You will recall that many of the expected revenues had to be estimated because businesses declined giving staff accurate numbers of the semi-annual gross receipts from off-sale liquor.

Since last meeting, staff has attempted to get additional information from the Nevada Retail Association but at the time of this writing no additional information has been provided. We were also told that Lee's Liquor did some research on liquor sales in Utah. We asked to be able to share that information with the Council as they deliberate on this issue. But as of yet, we have received no response.

Alan S. Litman, Mayor is requesting the amendment to the Liquor License Chapter 4 by imposing a semiannual gross sales fee in the amount of 3% for Beer, Wine, Spirit, based products off-sale and Full Liquor off-sale Liquor Licenses. The semiannual Beer, Wine, Spirit based products off-sale fee of \$800.00 and the Full Liquor off-sale fee of \$3,500.00 are proposed to be deleted. The 3% fee on gross revenue will be the sole fee for these licenses, and as such will function as the renewal fee. The City of Mesquite has struggled in recent years to balance the budget and still maintain acceptable levels of municipal services to its residents. To this end, the City is exploring any and all methods of reducing costs and raising revenues.

The proposal to seek an increase in licensing fees for off-sale liquor licenses is one way the City proposes to increase revenues. The Council has put off any attempts to raise taxes heretofore, preferring instead to reduce expenses. But it will now seek to benefit largely from those coming from out-of-state to buy cheaper liquor. The desire is to increase a fee that can be passed through to the consumer without unduly burdening the business.

Attachments:

Bill No. 495
Business Impact Statement