

**CITY OF NORTH LAS VEGAS  
SPECIAL CITY COUNCIL MEETING MINUTES**

**August 1, 2007**

**CALL TO ORDER**

4:05 P.M., Council Chambers, 2200 Civic Center Drive, North Las Vegas, Nevada

**ROLL CALL**

**COUNCIL PRESENT**

Mayor Michael L. Montandon  
Mayor Pro Tempore William E. Robinson  
Councilwoman Stephanie S. Smith  
Councilwoman Shari Buck  
Councilman Robert L. Eliason

**STAFF PRESENT**

City Manager Gregory Rose  
Assistant City Manager Sam Chambers  
Assistant City Manager Maryann Ustick  
City Attorney Carie Torrence  
City Clerk Karen L. Storms  
Communications Director Brenda Fischer  
Economic Development Director Mike Majewski  
Finance Director Phil Stoeckinger  
Deputy Fire Chief Kevin Brame  
Parks and Recreation Director Mike Henley  
Planning and Zoning Director Jory Stewart  
Senior Deputy City Attorney Nicholas Vaskov  
Assistant to the City Manager Michelle Bailey-Hedgepeth  
Business License Manager Lana Hammond  
Planning and Zoning Manager Marc Jordan  
Chief Deputy City Clerk Anita Sheldon

**VERIFICATION**

Karen L. Storms, CMC  
City Clerk

## BUSINESS

### **1. DISCUSSION AND/OR ACTION REGARDING A STAFFING PATTERN CHANGE FOR SPECIAL DISTRICT FUNDED POSITIONS IN THE FINANCE DEPARTMENT.**

Finance Director Phil Stoeckinger explained in December 2006, the Fiscal Division of Public Works was transferred to the Finance Department in order to have a greater oversight of financial issues relative to Public Works, and to provide a stronger link between the two departments. After the December adoption of the Capital Improvement Plan, the Finance Department and the City's financial consultant determined which projects presently funded with City funds could be financed through Special Improvement Districts (SIDs) in order to relieve a burden from taxpayers and have the projects paid by those who benefitted from them. They also researched the way similar local cities used their SIDs. It was found that for master planned communities, the City of North Las Vegas had only 4 - 14% of the amount of funding from developers compared to the cities of Henderson and Reno. Director Stoeckinger reported as North Las Vegas was the fastest-growing city in the country, the Capital Improvement budget increased fivefold over the last six years, from \$228 million to \$1.2 billion. Over the same time period, the General Fund expenditures rose from \$87.2 million to \$2.1 billion, while investments grew from \$80 million to \$1.5 billion. As the City continued to grow, demands on the Finance Department continued to increase as well. Development Agreements for Aliante and Park Highlands resulted in 22 additional employees in development, but Finance staff had not increased.

Director Stoeckinger said that he, Assistant City Manager Maryann Ustick, and Public Works Director Majed Al-Ghafry discussed ways the City could recapture the costs of providing services where possible. There were some reimbursable rates on some of the development projects. The City received full funding for Regional Transportation Commission and Regional Flood Control items, but for other internal projects the City only recaptured about 25%. Director Stoeckinger proposed a 1% administration fee for SIDs such as Aliante and Park Highlands to help cover some of the Finance-related costs. Most of the initial costs for financial services were typically recouped over 20 to 30 years via bonds, but the costs to Finance continued throughout the duration of the projects and were not allowed for at the beginning of the projects, as they were for development services.

Director Stoeckinger said costs for SIDs were expected to triple over the next two years. Streets for SIDs, which were currently paid by property taxes via fund 268, could also be funded through the 1% administration fee. The administration fees could only be used for costs relating to SIDs, including staffing, office space, supplies and equipment. None of the expenses of the staffing pattern change would be paid from the General Fund. If the entire 1% was not used for the SID by the end of the bond term, the balance would be returned to the owner of the SID.

The City wanted to coordinate the SIDs with developers and departments within the City. The developers secured lower financing by working with the City. The City also wanted to improve customer service to its citizens.

Mayor Montandon said he thought the staffing pattern change was a very beneficial and necessary enhancement. He thought having professional staff assess SIDs would help the City recoup up to 100% of its up-front expenses and virtually eliminate the risk of the City incurring revenue losses during the development of SIDs. Mayor Pro Tempore Robinson agreed, but noted the City was under a hiring freeze. City Manager Gregory Rose explained the freeze had been lifted at the end of the fiscal year for most departments. He also mentioned the City had held some of the projected development positions due to the way the housing market was performing.

Councilwoman Smith asked whether the 1% was an additional fee or whether it was already included in SID fees. Director Stoeckinger said it was already charged in the form of bonds. Councilwoman Smith said the taxpayers still had to pay assessment bills. City Manager Rose said the people who paid for it were those who benefitted from it. The plan created an infrastructure to accommodate the growth. Mayor Montandon clarified there was no cost to the City's General Fund. He emphasized the plan was a benefit to the City and the additional staffing was needed to analyze SIDs at the beginning, planning stages. Director Stoeckinger said in 2006 the General Fund subsidized SIDs in the amount of \$1.2 million. City Attorney Carrie Torrence confirmed the 1% could only be use for costs the City incurred for each of the SIDs. The money would reimburse the General Fund for monies that were advanced for the SIDs.

ACTION: STAFFING PATTERN AMENDMENT APPROVED

MOTION: Mayor Pro Tempore Robinson

SECOND: Mayor Montandon

AYES: Mayor Montandon, Mayor Pro Tempore Robinson, Councilmembers Smith and Buck

NAYS: None

ABSTAIN: None

Councilman Eliason entered Chambers at 4:25 P.M.

## **2. PRESENTATION, DISCUSSION AND/OR ACTION REGARDING LIQUOR AND GAMING CODE REVISIONS.**

Business License Manager Lana Hammond stated in the fall of 2006, conflicts between the Mixed Use Development Code and the Liquor Code were identified. Based on that discovery, a workgroup was developed with staff from the Business License Division, the City Attorney's Office and the Planning and Zoning Department. The workgroup identified conflicting information between the Liquor Codes and the Zoning Codes, which created

confusion for Staff and citizens. Due to those issues and the fact the Liquor Code had not been updated since 1998, it was determined the Liquor Code required a rewrite. The Gaming Code had not been updated since 1998 either, and the Liquor and Gaming Codes had many shared elements. The Gaming Code required a rewrite for the purpose of consistency as well as updating. The Zoning Code would also need revision related to the Liquor and Gaming Codes.

Manager Hammond outlined the problems found within the Liquor Code. She stated the Code lacked the flexibility to accommodate the rapid and diverse growth of the City. The seating requirements, seating ratios and food ratios were not flexible and thereby limited the potential for diversity and economic growth of businesses. There were inconsistencies between the Business License Codes and Zoning Codes regarding distance separation. There were inconsistencies relating to who was investigated, and investigation fees ranged from \$50 to \$300 for different licenses which were subject to identical investigation processes.

Many of the issues were a result of the current classification structure. The workgroup concluded too many businesses were licensed under the General On-Sale classification. Tavern/restaurants, saloons, casinos and supper clubs were all in the General On-Sale classification, due to seating requirements, seating/food ratios or gaming limits. Establishments affected by those restrictions obtained licenses as General On-Sale. For example, there was a Supper Club category, but only three businesses were licensed under that category because it limited businesses to five gaming machines. All other supper clubs had obtained licenses via zoning codes as Taverns/Restaurants, which was in the category General On-Sale in the Business Licensing Department.

Manager Hammond went on to explain the General On-Sale classification pertained to businesses that sold a full range of alcoholic beverages for consumption on-site. General On/Off-Sale businesses offered the same services but also sold alcohol that could be taken off-site in sealed containers. The distance separation for any combination of On-Sale or On-Off Sale was 2,500 feet, and the City had a cap of ten new licenses per year, which significantly limited the new businesses that could open in North Las Vegas.

To clarify and help separate the classifications, the workgroup proposed a restructuring of the license classifications that encompassed Licensing, Legal, and Planning and Zoning issues, and provided for long-term needs of the City and businesses. The criteria considered were whether the establishment sold only beer and wine or a full range of alcohol, whether they sold for use on premises or off premises, and whether or not there was gaming.

A Full On-Sale category was proposed for all locations with on-premises alcohol sales and no gaming. A Restricted Gaming Liquor classification encompassed locations with a full range of on-premises alcohol and restricted gaming, and a Non-Restricted Gaming

classification for a full range of on-premises alcohol consumption and non-restricted gaming, such as casinos. Non-Restricted Gaming applications were subject to prior approval by the Gaming Enterprise District. The On-Off Sale category was eliminated, and affected establishments needed to obtain two separate licenses. With the proposed revisions, the Full On-Sale establishments required use permits and were not subject to distance requirements. Restricted Gaming Liquor establishments required use permits and were subject to a 2,500 foot distance separation. Some establishments could fit under Full On-Sale or Restricted Gaming categories, depending on whether or not they had gaming. The restructuring allowed for flexibility for business establishments that served alcohol but did not have gaming and/or food.

In addition to reclassifying, the workgroup recommended removal of seating requirements and seating/food ratios. In addition, it was felt that the 2,500 foot distance requirement for Non-Restricted Gaming licenses was sufficient to limit those establishments and the cap of ten licenses per year should be dismissed so as not to restrict businesses in the other classifications. Licensing fees were streamlined. All liquor-related land use requirements and restrictions were moved from Business Licensing to Zoning, so the viability of businesses was determined in Planning and Zoning. This eliminated situations where businesses met the requirements of Planning and Zoning and were granted use permits, but the permits were nullified in the Licensing stage due to further restrictions.

A standard fee of \$200 was established for investigation of businesses. Officers of publicly traded companies would no longer be investigated, only principals and key employees. However, there was an option whereby Directors, the Police Chief or Council could identify additional parties for investigation when necessary. The proposed changes in the investigation process would hasten the application process.

There were challenges in the Gaming Code as well, including outdated terminology, a complex fee structure, and replication of Nevada Revised Statutes (NRS) language. NRS were quoted verbatim within the codes. The NRS were continually updated, which in turn necessitated continual updating of the City's codes. As in the Liquor Code, there were inconsistencies regarding who was investigated and investigation fees. The work card requirements as stated in the City code did not conform with the state's work card requirements. The state also allowed for a two-year non-operational status while the City allowed for one year.

The workgroup proposed to delete the outdated NRS language and suggested referencing the NRS instead of quoting them, and streamlining the fee structure. A waiver of investigations was proposed for individuals who were already approved for licensing by the State Gaming Commission, and a standard investigation fee of \$200 was recommended. A revision was proposed to allow for a two-year non-operational status to comply with state regulations.

Manager Hammond used the example of supper clubs to illustrate the inconsistencies between the Planning and Zoning and Business Licensing Departments. In Planning and Zoning, almost all restaurants that served alcohol but did not have gaming qualified under the category of Supper Club. However, due to Business Licensing restrictions, there were only three businesses in the Supper Club category. There were also separation criteria within multiple chapters of the Zoning code. The workgroup proposed reconciliation of the land use and liquor license definitions and placement of all distance separation criteria within the Zoning codes. The Planning Commission would review all liquor uses without a gaming component and Council would review all Restricted Gaming uses. Non-Restricted Gaming uses would not be affected by the revisions. Businesses with existing use permits were still subject to the conditions of the existing use permits.

Mayor Montandon asked whether the smoking restrictions needed to be addressed within the scope of the proposed revisions, and Manager Hammond said those issues were covered in the guidelines of the Health District, and it was not necessary to revisit those issues within City codes. Because smoking was banned in establishments that served food, Councilwoman Smith did not want to eliminate the categories of Saloons/Pubs, which did not serve food, and Restaurant/Taverns, which served food, and put them all under the classification Restricted Gaming, because saloons/pubs allowed smoking and tavern/restaurants did not.

Manager Hammond confirmed for Mayor Pro Tempore Robinson that Full On-Sale restaurants were not affected by distance requirements. Those requirements only pertained to Restricted Gaming Liquor licenses.

Senior Deputy City Attorney Nicholas Vaskov said the changes helped more true restaurants to open in mixed use zones, as they would no longer have to compete with taverns for space. The revisions distinguished between those two different types of establishments. A food requirement could be included within the use permit process to enforce the smoking ban. Councilwoman Smith preferred a process wherein the matter of whether or not businesses served food was addressed during the application process. Attorney Vaskov said the workgroup had discussed the subject and would revisit it.

Councilwoman Buck said she did not approve of a smoking ban but liked that the proposal kept distance requirements between Restricted Gaming establishments and schools, day cares, churches, public parks and residences.

Councilwoman Smith explained while the Health District had enacted a smoking ban in establishments that sold food, the subject was still being litigated and many establishments found loopholes to avoid the ban. Therefore, she thought the City of North Las Vegas should enact its own regulations regarding smoking in places that served food. Councilwoman Buck and Councilwoman Smith agreed to disagree on the subject.

City Attorney Carie Torrence suggested the workgroup return to Council with a choice of

two proposals. Mayor Montandon stated it was very beneficial for the City to adopt the proposed changes, with possible minor adjustments, as soon as possible. He requested the workgroup move forward and bring forth two proposals for consideration by Council as soon as possible. Manager Hammond said an outline had been prepared. Impacted parties would have to be notified, a business impact study would be initiated, then an ordinance would be prepared and brought before Council. Councilwoman Smith reiterated she wanted it made clear whether or not food would be served in establishments. City Manager Gregory Rose clarified the two proposals would be brought forth as part of a business impact statement, and an ordinance would be brought before Council.

**ACTION:** STAFF DIRECTED TO MOVE FORWARD AND BRING BACK OPTIONS FOR COUNCIL CONSIDERATION

**MOTION:** Mayor Montandon

**SECOND:** Mayor Pro Tempore Robinson

**AYES:** Mayor Montandon, Mayor Pro Tempore Robinson, Councilmembers Smith, Buck and Eliason

**NAYS:** None

**ABSTAIN:** None

#### **PUBLIC FORUM**

There was no public participation.

#### **ADJOURNMENT**

**ACTION:** THE MEETING ADJOURNED AT 5:12 P.M.

**MOTION:** Mayor Montandon

**SECOND:** Mayor Pro Tempore Robinson

**AYES:** Mayor Montandon, Mayor Pro Tempore Robinson, Councilmembers Smith, Buck and Eliason

**NAYS:** None

**ABSTAIN:** None

**APPROVED:** September 19, 2007

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Mayor Michael L. Montandon

**ATTEST:**

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Karen L. Storms, CMC  
City Clerk