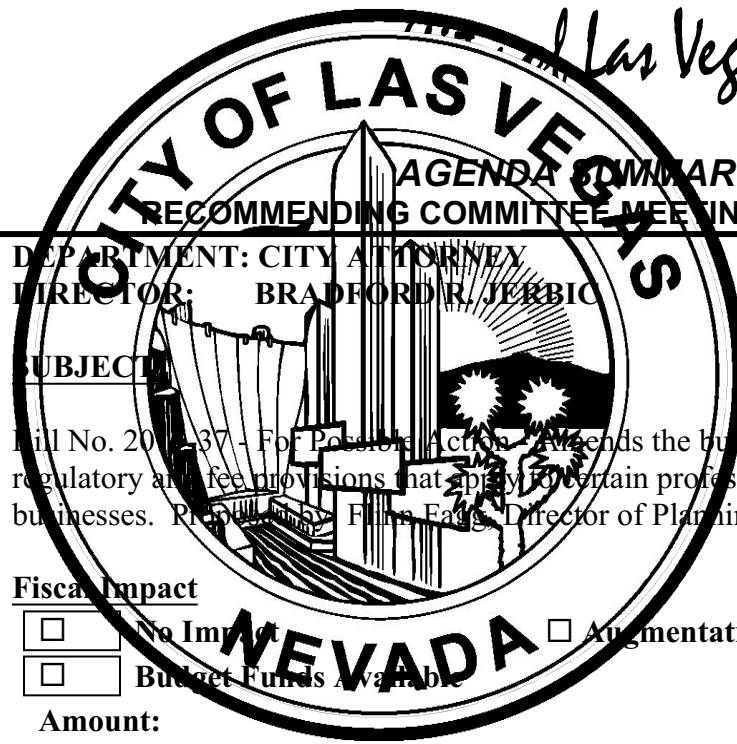




AGENDA SUMMARY PAGE

RECOMMENDING COMMITTEE MEETING OF: OCTOBER 18, 2011

DEPARTMENT: CITY ATTORNEY
DIRECTOR: BRADFORD R. JERBIC

☐ Consent ☒ Discussion

SUBJECT:

Bill No. 2011-37 - For Possible Action - Amends the business licensing provisions to adjust the regulatory and fee provisions that apply to certain professional businesses and employees of such businesses. Proposed by Filma Fazio, Director of Planning

Fiscal Impact

☐ No Impact ☐ Augmentation Required
☐ Budget Funds Available

Amount:

Funding Source:

Dept./Division:

PURPOSE/BACKGROUND:

This bill provides clarification regarding the license fee-related obligations of certain professional businesses and their employees and agents, in particular, those pertaining to real estate brokers, real estate salespersons, and property managers. The clarification takes into account the requirements and limitations of State law on the subject, as well as the types of business arrangements used by those types of professional businesses.

RECOMMENDATION:

This bill should be submitted to a Recommending Committee for review, hearing and recommendation to the City Council for final action.

BACKUP DOCUMENTATION:

1. Bill No. 2011-37
2. Business Impact Statement

Motion made by BOB COFFIN to Hold in abeyance to the 11/1/2011 Recommending Committee Meeting

Passed For: 2; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 0

RICKI Y. BARLOW, BOB COFFIN; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-None)

Minutes:

By way of reading the item, COUNCILMAN BARLOW declared the Public Hearing open.

KAREN DUDDLESTEN, Business Licensing Manager, explained that the the City of Las Vegas has previously allowed agents to register for licenses in two different ways: as a sales agent or as

RECOMMENDING COMMITTEE MEETING OF: OCTOBER 18, 2011

a firm. This has created quite a bit of confusion within the community as well in the licensing department. She explained that they have worked with the real estate community to create a more streamlined and equitable licensing process by seeking to consolidate categories, reducing individual licensing fees to \$150 annually in order match the rate of other business professionals, changing the biannual renewal to an annual renewal, and placing responsibility on the brokers to verify agents' licenses and expirations.

SEAN FELLOWS, Government Affairs Director of the Greater Las Vegas Association of Realtors, publicly commended FLINN EAGG, Director of Planning, and MS. DUDDLESTEN for their efforts. He also requested two minor changes to the bill. The first is to add the term "brokers salesperson" to page 5, line 11. CHIEF DEPUTY CITY ATTORNEY VAL STEED stated he wanted to check the Nevada Revised Statutes (NRS) to be sure, but believed that the definition of the term salesperson encompassed broker salesperson. He also confirmed for COUNCILMAN BARLOW that he will address this prior to the City Council meeting.

MR. FELLOWS then stated his second request is to amend the language of line 13 to help clarify that the NRS requires agents to hold a license at their business location and not for each jurisdiction where they operate. He provided the example of a person licensed with the City of Las Vegas who sells a house in Boulder City without needing to obtain a Boulder City license. He further explained that the NRS uses the term broker interchangeably and that if this presents a sticking point for the Committee, he would be happy to see the bill move forward as is. ATTORNEY STEED stated that he will verify the license requirements with the NRS and needs to check how it would affect individuals acting in more than one capacity.

In response to COUNCILMAN BARLOW, MR. EAGG replied that he would prefer to see this move forward due to its positive impact on the real estate community. He feels confident that the requested amendments can be incorporated and asked permission of counsel to place it on the city council agenda. He also told the Councilman that abeying the item will probably have a minimal effect but that his preference is to see it move forward.

COUNCILMAN COFFIN received confirmation from MS. DUDDLESTEN that license renewal invoices are currently sent out semi-annually but the bill will create annual invoice intervals. The Councilman also clarified that if the bill is abeyed it is only to insure the substance and form of the bill and not intended to create uncertainty within the real estate community. He also received confirmation from MR. FELLOWS that the broker is the one with fiduciary duty and that it is not believed the City will suffer from a reduction in revenues, in fact, these changes will help to force unlicensed agents into compliance with city regulations. MR. FELLOWS also confirmed that these changes will not affect the scope or perceived scope of license holders because they are still required by the NRS under the real estate division to get a property manager permit.

ATTORNEY STEED thinks it will probably be possible to add the language requested but he will need to check. He also clarified that if the Committee wishes to make the bill eligible for adoption at the 11/2/2011 City Council meeting, it can be moved forward with the understanding

RECOMMENDING COMMITTEE MEETING OF: OCTOBER 18, 2011

he may recommend against incorporating the change depending on his research of the NRS. COUNCILMAN BARLOW stated his preference for abeying the item in order to present a clean bill to the City Council.

ATTORNEY STEED suggested holding the bill in abeyance to 11/1/2011 with instructions to publish so that the bill could still be heard at the 11/2/2011 City Council meeting if the Recommending Committee approves it.

CITY CLERK BEVERLY K. BRIDGES received clarification from COUNCILMAN COFFIN that only Bill 2011-37 is being abeyed.

COUNCILMAN COFFIN stated that he is requesting the bill be published in its current form.

By way of reading the next item, COUNCILMAN BARLOW declared the Public Hearing closed.

