

BILL NO. 2010-25

ORDINANCE NO. 6100

AN ORDINANCE RELATING TO SEWER SERVICE CHARGES; ADJUSTING THE EQUIVALENT RESIDENTIAL UNIT CLASSIFICATIONS FOR CONDOMINIUMS AND APARTMENT HOUSES; AND PROVIDING FOR OTHER RELATED MATTERS.

Sponsored by: Councilman Steven D. Ross

Summary: Amends the sewer service provisions to adjust the equivalent residential unit classifications for condominiums and apartment houses.

THE CITY COUNCIL OF THE CITY OF LAS VEGAS DOES HEREBY ORDAIN

AS FOLLOWS:

SECTION 1: Title 14, Chapter 4, Section 20, of the Municipal Code of the City of Las Vegas, Nevada, 1983 Edition, is hereby amended to read as follows:

14.04.020: The following equivalent residential unit (ERU) schedule shall be used in calculating the user charges:

Customer Class	Billing Unit	ERUs
Single-family dwelling	Each dwelling unit	1.00
Mobile home residential estates*	Each trailer lot	1.00
Mobile home parks	Each trailer lot	1.00
Multiple-family dwelling	Each dwelling unit	1.00
Two-family dwelling	Each dwelling unit	1.00
Condominium	Each dwelling unit	[1.00] <u>0.80</u>
Plus: outside fixtures in common areas	Each fixture	0.45
Apartment house	Each dwelling unit	[0.70] <u>0.80</u>
Plus: fixtures outside of dwelling units	Each fixture	0.45
Senior apartment house	Each dwelling unit	0.50
Plus: fixtures outside of dwelling units	Each fixture	0.45
Accessory structure (Class I) and other accessory structures used for habitation	Each structure	0.60
Halfway house	Each dwelling unit	1.00
Recreational vehicle parks	Each vehicle space	0.70
Plus: fixtures	Each fixture	0.45
Resort hotel	Each room	0.60

1	Plus: fixtures outside of rooms (including fixtures in casinos and restaurants)	Each fixture	1.50
2			
3	Residence Hotel	Each unit	0.70
4	Plus: fixtures outside of rooms	Each fixture	0.45
5	Casino	Each fixture	1.50
6	Motel/hotel/rooming house	Each room	0.60
7	Plus: fixtures outside of rooms	Each fixture	0.75
8	Business operations not separately rated/retail sales (including motor vehicle sales and retail establishments serving food)	Each fixture	0.65
9	Business operations not separately rated/wholesale or service only	Each fixture	0.45
10	Hospital	Each bed	1.20
11	Specialty hospital	Each bed	1.20
12	Convalescent care facility/nursing home	Each bed	0.75
13	Special care facility	Each bed	0.75
14	Custodial institution	Each bed	0.50
15	School	Each student	0.10
16	Child care center	Each student	0.10
17	Beauty shops	Each fixture	0.50
18	Day spa	Each fixture	0.60
19	Restaurant (take out only)	Each fixture	0.45
20	Restaurant (with seating under 45)	Each fixture	0.65
21	Restaurant (with seating 45 and over)	Each fixture	1.33
22	Tavern (with food sales/ service)	Each fixture	1.00
23	Tavern (without food sales/ service)	Each fixture	0.65
24	Nightclub	Each fixture	0.65
25	Barbershops	Each fixture	0.30
26	Clinics	Each fixture	0.45
27	Laundromats	Each fixture	0.45
28	Offices, except as otherwise listed	Each fixture	0.45
	Service establishments, except as otherwise listed	Each fixture	0.45
	Financial institutions	Each fixture	0.30
	Cinema theaters	Each fixture	0.35
	Theaters	Each fixture	0.30

1	Maintenance, renovation and repair shops	Each fixture	0.30
2	Sports complexes	Each fixture	0.30
3	Private clubs	Each fixture	0.45
4	Community center	Each fixture	0.45
5	Park or playground	Each fixture	0.45
6	Church	Each fixture	0.25
7	Vacant establishments	Each fixture	0.25
8	Large commercial and other	Annual water use ÷ 90,000 gallons = No. ERUs**	
9	Laundries	0.85 x annual water use ÷ 90,000 gallons = No. ERUs**	Annual water use will be estimated by the Director of Public Works. After the first full year of discharging, the number of ERU's and the corresponding sewer connection fee may be adjusted at the discretion of the Director of Public Works.
10	Mixed use operations (within a facility that has its own separate meter to measure water consumption)	0.85 x annual water use ÷ 90,000 gallons = No. ERUs**	
11	Mixed use operations (within a facility that does not have its own separate meter to measure water consumption)	ERUs based upon customer class of the primary use	
12	Swimming pools – public and private – each pool by capacity		
13	30,000 gallons and less		0.10
14	30,001 to 99,999 gallons		0.25
15	100,000 to 149,999 gallons		0.50
16	150,000 to 199,999 gallons		0.65
17	200,000 to 249,999 gallons		0.85
18	250,000 to 299,999 gallons		1.00
19	300,000 gallons or more		1.30

26 * Trailers which contain more than one dwelling unit shall be classified as multiple-family dwellings.

27 **Annual water use will be estimated by the Director of Public Works. After the first full year of

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1 discharging, the number of ERUs may be adjusted at the discretion of the Director to reflect actual use.

2 SECTION 2: If any section, subsection, subdivision, paragraph, sentence, clause or
3 phrase in this ordinance or any part thereof is for any reason held to be unconstitutional or invalid or
4 ineffective by any court of competent jurisdiction, such decision shall not affect the validity or
5 effectiveness of the remaining portions of this ordinance or any part thereof. The City Council of the
6 City of Las Vegas hereby declares that it would have passed each section, subsection, subdivision,
7 paragraph, sentence, clause or phrase thereof irrespective of the fact that any one or more sections,
8 subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional,
9 invalid or ineffective.

10 SECTION 3: All ordinances or parts of ordinances or sections, subsections, phrases,
11 sentences, clauses or paragraphs contained in the Municipal Code of the City of Las Vegas, Nevada,
12 1983 Edition, in conflict herewith are hereby repealed.

13 PASSED, ADOPTED and APPROVED this 21ST day of July, 2010.

14 APPROVED:

15
16 By 
17 OSCAR B. GOODMAN, Mayor

18 ATTEST:

19 
20 BEVERLY K. BRIDGES, MMQ
21 City Clerk

22 APPROVED AS TO FORM:

23 Valsted 6-3-10
24 Date

1 The above and foregoing ordinance was first proposed and read by title to the City Council
2 on the 16th day of June, 2010, and referred to a committee for recommendation; thereafter
3 the committee reported favorably on said ordinance on the 21st day of July, 2010, which as
4 a regular meeting of said Council; that at said regular meeting, the proposed ordinance
5 was read by title to the City Council as first introduced and adopted by the following vote:

6 VOTING "AYE": Mayor Goodman and Councilmembers Wolfson, Ross, Barlow and
7 Anthony

8 VOTING "NAY": Councilwoman Tarkanian

9 EXCUSED:

10 ABSTAINED: None

11 DID NOT VOTE: Councilman Reese

12 APPROVED:

13 
14 _____
15 OSCAR B. GOODMAN, Mayor

16 ATTEST:

17 
18 _____
19 BEVERLY K. BRIDGES, MMC City Clerk

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AFFP DISTRICT COURT
Clark County, Nevada

RECEIVED
CITY CLERK

AFFIDAVIT OF PUBLICATION

2010 JUL 30 A 10:55

STATE OF NEVADA)
COUNTY OF CLARK) SS:

STACEY M. LEWIS, being 1st duly sworn, deposes and says: That she is the Legal Clerk for the Las Vegas Review-Journal and the Las Vegas Sun, daily newspapers regularly issued, published and circulated in the City of Las Vegas, County of Clark, State of Nevada, and that the advertisement, a true copy attached for,

LV CITY CLERK

2296311LV

6510619

was continuously published in said Las Vegas Review-Journal and / or Las Vegas Sun in 1 edition(s) of said newspaper issued from 07/24/2010 to 07/24/2010, on the following days:

07/24/2010

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ORDINANCE NO. 6100

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Sponsored by: Councilman Steven D. Ross
Summary: Amends the sewer service provisions to adjust the equivalent residential unit classifications for condominiums and apartment houses.

The above and foregoing ordinance was first proposed and read by title to the City Council on the 16th day of June 2010 and referred to a committee for recommendation; thereafter the committee reported favorably on said ordinance on the 21st day of July 2010, which was a regular meeting of said City Council; and that at said regular meeting the proposed ordinance was read by title to the City Council as first introduced and was adopted by the following vote:

VOTING "AYE": Mayor Goodman and Councilmembers Wolfson, Ross, Barlow, and Anthony
VOTING "NAY": Councilwoman Tarkanian
EXCUSED: NONE
NOT VOTING: Councilman Reese

COPIES OF THE COMPLETE ORDINANCE ARE AVAILABLE FOR PUBLIC INFORMATION IN THE OFFICE OF THE CITY CLERK, 1ST FLOOR, 400 STEWART AVENUE, LAS VEGAS, NEVADA.
PUB: July 24, 2010
LV Review-Journal

Signed:

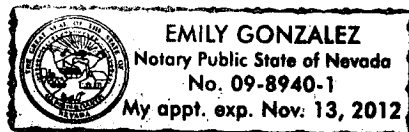
Stacey M. Lewis

SUBSCRIBED AND SWORN BEFORE ME THIS, THE

26th day of *July*, 2010.

Notary Public

Emily Gonzalez



BUSINESS IMPACT STATEMENT

BILL NO: 2010-25

(Amends the sewer service provisions to adjust the equivalent residential unit classifications for condominiums and apartment houses)

This business impact statement was prepared pursuant to NRS 237.090 to address the impact of a proposed ordinance, Bill No. 2010-25, that will amend the sewer service provisions to adjust the equivalent residential unit classifications for condominiums and apartment houses.

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.

A notice was sent to approximately 1900 holders of apartment house business licenses within the City. The notice informed them of the proposal to adjust the equivalent residential unit (ERU) classifications for condominiums and apartment houses as follows:

- Increase the ERU classification for apartment dwelling units from .70 to .80, and
- Decrease the ERU classification for condominium dwelling units from 1.00 to .80.

Responses from approximately 14 distinct properties were received, including responses from the Southern Nevada Multihousing Association and a number of individual owners and managers of apartment houses. A summary of those comments, which is available to interested persons as part of this business impact statement, is as follows:

A. All expenses of and assessments against apartment owners have gone up, rental rates have been forced downward, and vacancies are up. Owners and managers have had to "contribute" to the operation of their apartments, which has led to negative cash flows. Apartment owners can hardly pay sewer bills now, and tenants cannot afford existing rents. Owners and managers currently are able to rent apartments now by reducing rates. Any sewer increase will have to be passed along to tenants, who will move out. Owners are being forced out of business because of rising taxes and sewer rates, paying sewer rates for full occupancy even with 50% vacancies. Further increases will force more owners out of business.

B. Apartment units are not the same as condos, even if some condo units are being rented. Though the adjustment may essentially be "revenue neutral" to the City, it is not so to the apartment owner/manager/occupant community.

C. The proposal discriminates against small businesses and in favor of larger businesses. It creates a disproportionate impact on apartment owners (who with multiple units pay increase multiple times, as opposed to condo owners who are affected only once (per unit)).

D. Even if the rationale for the adjustment makes sense, the timing is not right. Any increase should wait for the economy to rebound.

E. Increased utility costs for apartment renters make them less affordable. The adjustment

is inconsistent with offering affordable housing, especially housing that is encouraged and recognized as affordable by the City's Neighborhood Services Dept. Such housing should be exempted from this proposed adjustment if it is to go forward.

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

Adverse effects:

- Increased risk of reducing the affordability of apartments (about \$2 per month per unit)
- Risk of higher vacancies and reduced income
- Reduced profitability for owners, making it more difficult to stay in business

Beneficial effects:

- More equity in treatment among sewer users
- Provide consistency with most of the other local jurisdictions in assigning both types of uses the same ERU classification

Direct effects:

(See adverse effects and beneficial effects above)

Indirect effects:

None noted

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

No methods to reduce the impact on businesses were identified, other than the alternative to abandon the increase in ERU classification for apartment houses. The decision to move forward takes into account that the current discrepancy between classifications is no longer warranted. The historical distinctions between the condominium and apartment unit uses have blurred. Many units originally developed for condominium use are being operated as rental units, and many units have been developed so that they can be marketed and used either way. In addition, assigning the same classification to both types of use is consistent with the treatment afforded by most area jurisdictions.

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

No additional cost

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

Approximately \$45,000. The proposal is essentially revenue neutral to the City, with the estimated revenue increase representing the net increase that is estimated to result from the two adjustments

6. If the proposed 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:

Help offset the costs of providing service, including the rehabilitation of existing sewer collection system pipes that are in need of repair

7. If the proposed 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:

N/A

Date: June 3, 2010