

STAFF REPORT

Date: February 12, 2020

To: Mayor and City Council

Thru: Sabra Newby, City Manager

Subject: **D.1.2. Staff Report (For Possible Action): Request to amend Reno Municipal Code 1) Title 5, entitled "Privileged Licenses, Permits and Franchises", amending Chapter 5.05, entitled "Licenses Generally", Section 5.05.008 entitled "General Requirements", to add Massage Establishments to the list of business licenses required to obtain a Federal Bureau of Investigation (FBI) nationwide background check; and, 2) Title 5, entitled "Privileged Licenses, Permits and Franchises", by adding a new Chapter 5.23 entitled "Massage Establishments", in its entirety, to create a Massage Establishment Privilege License, new definitions, license application and issuance process, and minimum operational regulations for massage establishments; together with matters which pertain to or are necessarily connected thereto.**

From: Michael Chaump, Business Relations Manager

Summary: This is a request to amend Title 5 of Reno Municipal Code (RMC) entitled "Privileged Licenses, Permits and Franchises," by amending Chapter 5.05, entitled "Licenses Generally", Section 5.05.008 entitled "General Requirements", to add Massage Establishments to the list of business licenses required to obtain an FBI nationwide background check; and to add a new Chapter 5.23 entitled "Massage Establishments", in its entirety, creating a Massage Establishment Privilege License, new definitions, license application and issuance process, and minimum operational regulations for massage establishments; together with matters which pertain to or are necessarily connected thereto.

The substance and rationale for the amendments are outlined in the preceding Business Impact Statement staff report.

Background: Massage establishments are currently licensed as a general business under RMC Title 4 known as the Business License Code. The provisions of this title establish the procedural requirements for business license review and issuance.

RMC Title 5 regulates business activities that are found by the city to require a higher demand of city services affecting the economic, social, health and general well-being of the city and its

residents. These activities are commonly referred to as “privileged” and must comply with both Title 4 and Title 5.

Previous Council Action: On August 26, 2019, Council directed staff to create an ordinance amendment to regulate Massage Establishments as privilege activity under RMC Title 5, with direction to include background checks for Massage Establishment licensees and minimum operational regulations.

Discussion: The proposed ordinance amendments specifically relate to creating a Massage Establishment Privilege License and requiring background checks for Massage Establishment licensees, including but not limited to, new definitions, license application and issuance process, and minimum operational regulations. The proposed amendments to Reno Municipal Code include:

- Title 5, Chapter 5.05, Section 5.05.008, “General Requirements,” adding Massage Establishments to the list of business licenses required to obtain an FBI nationwide background check; and,
- Title 5, new Chapter 5.23, entitled “Massage Establishments”, to create a Massage Establishment Privilege License, new definitions, license application and issuance process, and minimum operational regulations for the massage establishments; together with other matters properly related thereto.

The substance and rationale for the amendments are outlined in the preceding Business Impact Statement staff report.

A Business Impact Statement was prepared, certified, and made available for public inspection with the City Clerk prior to this first reading pursuant to NRS 237.080 and 237.090.

Financial Implications: None at this time.

Legal Implications: Legal review completed for compliance with City procedures and Nevada law.

Recommendation: Staff recommends Council refer the Ordinance introductions for a second reading and adoption.

Proposed Motion: I move to refer the Ordinance introductions for a second reading and adoption.