

**CLARK COUNTY, NEVADA**

**Business Impact Statement**

**(NRS 237.090)**

**Clark County Code Chapter 16.08 (Newsracks)**

Upon request, a copy of the Business Impact Statement can be obtained from the Clark County Department of Business License and such requests should be sent to:

Clark County Department of Business License  
Chapter 16.08-Newsracks  
500 S. Grand Central Pky., 3<sup>rd</sup> Flr  
Box 551810  
Las Vegas, NV 89155-1810

or a copy may be obtained from the following website:

[www.clarkcountynv.gov/businesslicense](http://www.clarkcountynv.gov/businesslicense).

**Description of the proposed ordinance or rule:**

The Clark County Department of Public Works has proposed amendments to Clark County Code, Chapter 16.08 to prohibit the placement of newsracks within restricted areas on Las Vegas Boulevard in order to address concerns of permanent obstructions identified in a recent study on the flow of pedestrian traffic along Las Vegas Boulevard. The study revealed that increasingly congested public sidewalks pose a serious potential safety hazard.

**Intent of the proposed ordinance or rule including issues to be resolved or other factors to be considered:**

The County has voluntarily undertaken steps to remove or relocate permanent objects such as streetlights, fire hydrants, traffic poles, etc., to assist in safer pedestrian traffic and to aid in the visual improvement of the Strip to make it more aesthetically pleasing. The intent of the proposed ordinance is to remove other serious impediments to pedestrian traffic flow identified in the study in order to make it safer for pedestrians and to enhance their experience by making the Tourist Corridor more aesthetically pleasing. Specifically, the proposed amendments prohibit any newsrack to be placed, constructed, or maintained on any public sidewalk within the Tourist Corridor. The Tourist Corridor is defined as the area comprising the public sidewalks abutting Las Vegas Boulevard, extending from Sahara Avenue to Russell Road and the public sidewalks abutting each cross street to 300 feet east and west of Las Vegas Boulevard.

Further, the amendments prohibit the Department of Public Works from issuing any newsrack permits for locations within the Tourist Corridor, or renewing or extending any existing permits for newsracks within the Tourist Corridor to any period of time after December 31, 2013.

**Description of the manner in which public comment, data or arguments was solicited from affected businesses and/or community stakeholders:**

The County mailed a Notification Letter of the Proposed Amendment (Attachment 1) to all thirteen businesses currently holding permits for newracks within the Tourist Corridor. The Notification Letter was also sent to trade organizations, chambers of commerce, business consultants and attorneys. In order to reach out to the general public, notices were published in various newspapers (Attachment 2) and on the County's website.

**Summary of public comment, data or arguments including the number of public comments received:**

Four comments were received (Attachment 3), of which three stated that this proposed ordinance would impose a direct and significant economic burden on their business and would directly restrict the operation and any future expansion of their business and even eliminate their ability to remain in business. The fourth commenter is opposed to the proposed ordinance, but did not address the issue of economic burden. The comments are summarized below; however, the complete comments are included in Attachment 3.

One commenter stated the following:

1. all of their revenue is generated from advertising, the primary source of which coming from local restaurants, service industry businesses and merchants,
2. their publication is free and 25% of the copies published are distributed in the H-1 zone of Las Vegas Boulevard,
3. advertisers are vital to the survival of this publication and without distribution on Las Vegas Boulevard advertisers will not attract the tourist as a customer and will cease advertising in this publication,
4. it is cost-prohibitive to hire persons to physically hand out the publications on the Strip and it is not the desire of this publisher to use such intrusive methods of distributing its periodical, and
5. newracks are a much more passive method of distributing the material.

This same commenter offered the following alternative proposal to retain the passive, non-intrusive newracks while addressing the congestion on the sidewalks:

1. a time, place and manner restriction could be adopted that would "create a physical zone along the same area of the sidewalks as is occupied by the news racks – one that would exist between news racks along the curb – to which hand-billers and others with a

constitutionally protected interest in speech would be restricted as to 'place', would accommodate those who seek to promulgate their message", and

2. newsracks could be required to be of uniform size, shape and materials so as to beautify the surroundings.

The commenter suggests that this would protect the right to disseminate a message and eliminate congestion within the Tourist Corridor.

Another commenter made the following comments:

1. many of their advertisers seek to reach the tourist traffic on Las Vegas Boulevard and many desire to do so in a manner that is passive, non-intrusive and unthreatening,
2. the Pedestrian Traffic Study that was completed last year indicated that a primary cause of pedestrian congestion is the non-permanent obstructions and the lack of enforcement of the "no-obstructive use" ordinance,
3. prior to this Study, a Resort Corridor Workgroup presented several recommendations to the County Commission, none of which were that the newsracks should be removed,
4. the subsequent 190-page Study identified only one location where newsracks contributed to the impediment of pedestrian flow and the recommendation was that this one newsrack be relocated further south to increase existing pedestrian walkway width,
5. the Study further stated that the majority of obstructions on the Strip are "non-permanent obstructions", which are defined as hand-billers, performers, solicitors and vendors, and
6. the recommendation of the Study was to enforce the no-obstructive use ordinance in multiple locations where non-permanent obstructions are present.

It is believed by this commenter that adoption of this ordinance will result in an exponential increase in the number of hand-billers and other non-permanent obstructions that will further inhibit the ease of pedestrian travel on Las Vegas Boulevard.

The third commenter stated that:

1. hand-billers are the number one problem with obstructions along the Strip,
2. a ban on newsracks within the Tourist Corridor would put him out of business,
3. the newsracks are next to the curb and out of the path of walk ways,
4. the real obstructions are the hand-billers, bus stop shelters, signs, fire hydrants, planters and electrical boxes,
5. there are many ordinances that are not enforced that could help to alleviate the congestion on the Strip, and

6. owners have spent thousands of dollars on their newsracks and the County cannot just take private property without just compensation.

The fourth commenter stated that targeting newsracks is unconstitutional and that they do not pose a significant impact to pedestrian traffic flow within the Resort Corridor, nor do they present any significant threat to the health and safety of persons walking along Las Vegas Boulevard within the Resort Corridor.

**The estimated economic effect of the proposed ordinance or rule on businesses:**

1. Adverse effects

Based on the comments received, the potential adverse effect on businesses involved in installing, maintaining and servicing newsracks within the Tourist Corridor would be a potential decrease in revenue and an increase in costs due to storage or disposal of unused newsracks and any potential additional cost in disseminating information by alternative methods. Additional loss of revenue may be experienced by publishers of the materials from advertising clients and by businesses that advertise in the publications as a decline in customer patronage may occur.

2. Beneficial effects

It is anticipated that the removal of obstructions on the public sidewalks will improve the flow of pedestrian traffic by reducing congestion while increasing safety within the Tourist Corridor and enhancing the aesthetics of the Tourist Corridor.

3. Direct effects

There are currently approximately 60 permitted newsrack locations within the proposed "Tourist Corridor." Each permitted location is allowed a maximum of 6 newsracks. The proposed ordinance would require that these existing newsracks be removed which may result in a loss to the newsrack owners of their asset and investment costs of each newsrack and revenue derived from the newsracks as well as a potential loss of revenue for the publishers that sell advertising in the publications and for the businesses that advertise in the publications that are distributed through the newsracks within the Tourist Corridor.

4. Indirect effects

To the extent that existing newsrack owners develop alternative methods to disseminate the information currently distributed by the newsracks, the Tourist Corridor could be affected in other ways that could obstruct pedestrian traffic.

5. Other economic effects to be considered

No other economic effects were identified.

**The estimated cost to the local government for the enforcement of the proposed ordinance or rule:**

No additional cost is required to enforce the proposed ordinance. The Department of Public Works has existing processes and resources currently used to administer the permitting and enforcement of newsrack regulations which can be used for enforcement of the proposed ordinance.

**The estimated cost to the local government for the administration of the proposed ordinance or rule:**

No additional cost is required for the administration of the proposed ordinance; however, permitting fees in the amount of approximately \$20,000 annually collected by the Department of Public Works for newsracks within the Tourist Corridor will be eliminated.

**If applicable, explanation of a new fee or increase to an existing fee including a projection of the annual revenue expected to be collected and the manner in which the revenue will be utilized:**

The proposed ordinance does not include new fees or increases to existing fees.

**Assessment of provisions of the proposed ordinance or rule, which may duplicate or are more stringent than Federal, State or local standards regulating the same activity:**

The proposed ordinance does not duplicate nor is it more stringent than Federal, State or local standards regulating the same activity.

**If applicable, explanation of why the duplicative or more stringent provisions are necessary:**

The proposed ordinance does not duplicate nor is it more stringent than Federal, State or local standards regulating the same activity.

**Description of the methods that local government considered to modify the proposed ordinance or rule; or otherwise reduce the impact of the proposed rule on businesses, the parties involved, and a statement of the methods used:**

The comments received indicated that the adoption of the proposed ordinance would impose a direct and significant economic burden on their businesses; however, this ordinance does not restrict alternative methods that may be used to communicate any speech or disseminate any

information that may be impacted by this ordinance, nor does it restrict the ability of any publisher to provide access to its speech inside any commercial building located along the Tourist Corridor.

**The reasons for the conclusions regarding the impact of the proposed rule on businesses:**

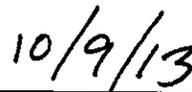
Although this ordinance clearly does not prohibit alternative methods of disseminating information that is currently distributed by the use of newsracks installed on the sidewalks within the Tourist Corridor, the comments indicated that adoption of the proposed ordinance is likely to impose a direct and significant economic burden upon certain businesses and may directly restrict the formation, operation or expansion of those businesses and the alternative methods of disseminating information are not sufficient to mitigate the negative economic burden on those businesses.

**Certification of Business Impact Statement**

I certify that, to the best of my knowledge or belief, the information contained in this Business Impact Statement was prepared properly and is accurate.



Donald G. Burnette  
County Manager



Date