



**COUNTY OF NEVADA COMMUNITY
DEVELOPMENT AGENCY**
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Agricultural Commissioner

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NEVADA COUNTY BOARD OF SUPERVISORS

Board Agenda Memo

MEETING DATE: January 13, 2026

TO: Board of Supervisors

FROM: Trisha Tillotson, Community Development Agency Director

SUBJECT: Resolution authorizing the establishment of an optional three-year pilot Business License Program for the unincorporated areas of Nevada County.

RECOMMENDATION:

Staff recommends the Board of Supervisors adopt the Resolution.

FUNDING: A three-year pilot optional Business License Program is estimated to cost \$5,000 for one time set up costs. Program funding is included in the Economic Development budget. Beyond that the County will not incur financial obligation other than ongoing minimal staffing costs for program implementation and administration.

BACKGROUND:

Nevada County currently does not offer a business license for businesses operating in the unincorporated areas of the County. While there is no single data source that provides an exact count, staff estimates there are approximately 1,000 brick and mortar and home-based businesses operating in unincorporated areas of the county.

Businesses are increasingly contacting the County seeking a business license. The Economic Development Office receives approximately 5–10 inquiries per month most commonly from businesses that need proof of a license to access financing, grant programs, or contracting opportunities. In the absence of a County issued license, these businesses face barriers that can limit growth, access to capital and competitiveness.

In response, Economic Development staff recommends the creation of a three-year, optional pilot business license program for businesses operating in the unincorporated areas of Nevada County. The program would be administered by a qualified third-party vendor, with County oversight. The pilot is designed to deliver clear value to businesses, minimize administrative impacts on County departments, and generate data to inform future policy decisions.

This program will not impact existing business license programs in Grass Valley and Nevada City, as well as emerging landscape efforts in Truckee, and reflects common business expectations across California. At the same time, the optional nature of the pilot respects concerns related to cost, equity and regulatory burden.

Program Administration

Staff recommends contracting a third-party administrator as this approach is the most cost-effective. Using an outside administrator allows the County to launch the program quickly using a proven system, ensures compliance with state requirements, and avoids adding additional workload to County staff.

Typical vendor services include:

- Online application and renewal portal with 24/7 access
- License issuance and record management
- Secure payment processing
- Renewal notifications
- Reporting dashboards for County use

The license fee is anticipated to be \$50 annually with per-license processing costs embedded in the fee structure, making the program self-funded. If the program is approved, actual annual fees will be calculated using best practices and brought to the Board to be adopted into the Fee Schedule in the normal course.

Program criteria will be developed in partnership with the third-party administrator and will define eligibility, registration requirements, data fields, renewal timelines, and compliance standards. The goal is to ensure the program is simple for businesses to use while providing accurate, consistent data to support economic development and county services.

Benefits to Local Businesses

The pilot program is intentionally structured to provide practical, business-driven benefits including:

- Access to financing: Increasingly banks and lenders are requiring a business license to finalize small business loans and lines of credit.
- Eligibility for contracts: Business licenses are increasingly required for public-sector and large private contracts, allowing local businesses to compete more effectively with out-of-county firms.
- Emergency and safety communications: A license provides a reliable method for the County to communicate directly with businesses during emergencies such as wildfires, severe weather events, public health incidents, or infrastructure disruptions.
- Credibility and trust: A County issued business license signals legitimacy and helps build confidence with customers, vendors, lenders, and business partners.

Benefits to Nevada County

The program also provides benefits to the County, including:

- Improved understanding of the local business landscape, as well as business retention, expansion and economic development planning knowledge.
- Enhanced ability to communicate with and support businesses during emergencies or disruptions.
- Strengthened relationships between the County and the business community.
- Better data to inform grant applications, policy decisions, and strategic initiatives.
- Cost savings as staff currently write letters and other communications regarding business licenses in Nevada County.

Program Timeline:

- Months 1-3: Vendor selection and program design
- Months 4-5: System setup and configuration
- Months 6: Staff training and testing
- Months 7-9: Business outreach and soft launch
- Month 10: Full launch (Target date November 2026)

Evaluation metrics

During or at the conclusion of the pilot period, staff will report back to the Board on:

- Number of participating businesses
- Business feedback and satisfaction
- Revenue generated
- Value and use of data collected for economic development purposes

The proposed pilot program would provide a business-friendly tool that supports local businesses, strengthens economic development efforts, improves emergency communication, and aligns Nevada County with common practices across California without imposing a mandate or financial burden on the County.

Item Initiated by: Kimberly Parker, Program Manager Economic Development

Approved by: Trisha Tillotson, Community Development Agency Director

Submittal Date:

Revision Date: