
ASSEMBLY BILL NO. 468—COMMITTEE
ON GOVERNMENT AFFAIRS

MARCH 28, 2011

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to redevelopment.
(BDR 22-1118)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets [omitted-material] is material to be omitted.

AN ACT relating to redevelopment; requiring each redevelopment agency in this State to establish a citizens' advisory group; requiring a citizens' advisory group to review certain redevelopment projects, redevelopment plans and amendments to such plans under certain circumstances; prohibiting a legislative body of a local government from giving its consent for certain acts by a redevelopment agency unless the agency provides certain reports to the legislative body and the general public; authorizing a redevelopment agency to loan money for the purchase of land and the construction of certain improvements to real property under certain circumstances; requiring a redevelopment agency to file annual reports with the Committee on Local Government Finance; requiring a redevelopment agency to set aside certain revenue from real property taxes for certain purposes; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

- 1 **Section 2** of this bill requires each redevelopment agency in this State to
- 2 establish a citizens' advisory committee the membership of which is composed of
- 3 persons who live or work in the redevelopment area. **Section 2** requires a citizens'
- 4 advisory committee to review any proposed redevelopment project which is
- 5 estimated to require the expenditure by the redevelopment agency of more than
- 6 \$100,000 and to review any redevelopment plan or amendment to such a plan.
- 7 **Section 2** provides that such a review is not required if the agency demonstrates at



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8 a public hearing that the time required for the review would result in financial
9 harm.

10 **Section 14** of this bill authorizes a redevelopment agency, with the consent of
11 the legislative body of a local government, to loan money for the purchase of land
12 and the construction of buildings, facilities, structures or other improvements to real
13 property under certain circumstances. **Section 3** of this bill prohibits a legislative
14 body from giving its consent to an agency for the loaning of money or the
15 expenditure of money for the purchase of land or the construction of certain
16 improvements to real property unless the agency provides a detailed report to the
17 legislative body and the general public concerning the project for which the loan
18 will be made or the money expended.

19 Existing law requires a redevelopment agency to file certain reports with the
20 legislative body concerning the transactions of the agency. (NRS 279.618) **Section**
21 **15** of this bill requires an agency to file an annual report with the Committee on
22 Local Government Finance, which must include certain information concerning the
23 revenues and expenditures of the agency, redevelopment plans of the agency and
24 certain agreements entered into by the agency.

25 **Section 16** of this bill requires a redevelopment agency that receives certain
26 revenue from taxes to set aside a portion of those revenues received on or after
27 October 1, 2011, to be used to increase, improve and preserve the number of
28 dwelling units for low-income households and educational facilities within the
29 boundaries of the redevelopment area.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 279 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 and 3 of this act.

3 **Sec. 2. 1.** *Each agency shall, on or before July 1, 2012,*
4 *establish a citizens' advisory committee composed of at least seven*
5 *members appointed by the agency. Each member of a citizens'*
6 *advisory committee must live or work within the boundaries of the*
7 *redevelopment area. The term of each member is 4 years. A*
8 *member may be reappointed upon the expiration of his or her*
9 *term. The members of a citizens' advisory committee serve without*
10 *compensation.*

11 **2.** *Except as otherwise provided in subsection 3, a citizens'*
12 *advisory committee shall review:*

13 *(a) Any proposed redevelopment project which is estimated to*
14 *require the expenditure by the agency of more than \$100,000.*

15 *(b) Any proposed redevelopment plan or any amendment to a*
16 *redevelopment plan.*

17 **3.** *A citizens' advisory committee is not required to review a*
18 *proposed redevelopment project, proposed redevelopment plan or*
19 *any amendment to a redevelopment plan if the agency establishes*
20 *at a public hearing that the time required for such review by the*
21 *citizens' advisory committee would result in financial harm.*



1 **Sec. 3.** *A legislative body shall not give its consent for any*
2 *act of an agency authorized by subsection 1 of NRS 279.486*
3 *unless, not later than 7 days before the date on which the*
4 *legislative body gives its consent, the agency provides to the*
5 *legislative body and makes available to the general public a*
6 *detailed report which includes, without limitation:*

7 1. *A copy of any contract, memorandum of understanding or*
8 *other agreement between the agency and the legislative body or*
9 *any other person relating to the redevelopment project.*

10 2. *A summary of the project which includes, without*
11 *limitation:*

12 (a) *A full and complete description of:*

13 (1) *The costs of the project, including, without limitation,*
14 *the costs of acquiring any real property, clearance costs,*
15 *relocation costs, the costs of any improvements which will be paid*
16 *by the agency and the amount of the anticipated interest on any*
17 *loan made or bonds issued or sold to finance the project.*

18 (2) *The estimated current value of the real property interest*
19 *to be conveyed or leased, determined at its highest and best use*
20 *permitted under the redevelopment plan.*

21 (3) *The estimated value of the real property interest to be*
22 *conveyed or leased, determined at the use and with the conditions,*
23 *covenants and restrictions, and development costs required by the*
24 *sale or lease, and the current purchase price or present value of*
25 *the lease payments which the lessee is required to make during the*
26 *term of the lease. If the sale price or present value of the total*
27 *rental amount to be paid to the agency or legislative body is less*
28 *than the fair market value of the real property interest to be*
29 *conveyed or leased, determined at the highest and best use*
30 *permitted under the redevelopment plan, the agency shall provide*
31 *an explanation of the reason for the difference.*

32 (b) *An explanation of how the project will assist in the*
33 *elimination of blight, including, without limitation, reference to all*
34 *supporting facts and materials relied on in reaching the*
35 *conclusions presented in the explanation.*

36 **Sec. 4.** NRS 279.382 is hereby amended to read as follows:
37 279.382 The provisions contained in NRS 279.382 to 279.685,
38 inclusive, *and sections 2 and 3 of this act* may be cited as the
39 Community Redevelopment Law.

40 **Sec. 5.** NRS 279.384 is hereby amended to read as follows:
41 279.384 As used in NRS 279.382 to 279.685, inclusive, *and*
42 *sections 2 and 3 of this act*, unless the context otherwise requires,
43 the words and terms defined in NRS 279.386 to 279.414, inclusive,
44 have the meanings ascribed to them in those sections.



1 **Sec. 6.** NRS 279.428 is hereby amended to read as follows:
2 279.428 An agency shall not transact any business or exercise
3 any powers under NRS 279.382 to 279.685, inclusive, *and sections*
4 *2 and 3 of this act* unless, by resolution, the legislative body
5 declares that there is need for an agency to function in the
6 community.

7 **Sec. 7.** NRS 279.432 is hereby amended to read as follows:
8 279.432 For the purpose of aiding and cooperating in the
9 planning, undertaking, construction or operation of redevelopment
10 projects located within the area in which it is authorized to act, any
11 public body, upon the terms and with or without consideration as it
12 determines, may:

13 1. Dedicate, sell, convey or lease any of its property to a
14 redevelopment agency.

15 2. Cause parks, playgrounds, recreational, community,
16 educational, water, sewer or drainage facilities, or any other works
17 which it is otherwise empowered to undertake, to be furnished
18 adjacent to or in connection with redevelopment projects.

19 3. Furnish, dedicate, close, pave, install, grade, regrade, plan or
20 replan streets, roads, roadways, alleys, sidewalks or other places
21 which it is otherwise empowered to undertake.

22 4. Plan or replan, zone or rezone any part of such area and
23 make any legal exceptions from building regulations and
24 ordinances.

25 5. Enter into agreements with the Federal Government
26 respecting action to be taken by such public body pursuant to any of
27 the powers granted by NRS 279.382 to 279.685, inclusive **[H]**, *and*
28 *sections 2 and 3 of this act*. Such agreements may extend over any
29 period, notwithstanding any law to the contrary.

30 6. Purchase or legally invest in any of the bonds of an agency
31 and exercise all of the rights of any holder of such bonds.

32 **Sec. 8.** NRS 279.444 is hereby amended to read as follows:

33 279.444 1. As an alternative to the appointment of five
34 members of the agency pursuant to NRS 279.440 and as an
35 alternative to the procedures set forth in NRS 279.443, the
36 legislative body may, at the time of the adoption of a resolution
37 pursuant to NRS 279.428, or at any time thereafter, declare itself to
38 be the agency, in which case, all the rights, powers, duties,
39 privileges and immunities vested by NRS 279.382 to 279.685,
40 inclusive, *and sections 2 and 3 of this act* in an agency are vested in
41 the legislative body of the community. If the legislative body of a
42 city declares itself to be the agency pursuant to this subsection, it
43 may include the mayor of the city as part of the agency regardless of
44 whether the mayor is a member of the legislative body.



1 2. A city may enact its own procedural ordinance and exercise
2 the powers granted by NRS 279.382 to 279.685, inclusive **[H]**, and
3 *sections 2 and 3 of this act.*

4 3. An agency may delegate to a community any of the powers
5 or functions of the agency with respect to the planning or
6 undertaking of a redevelopment project in the area in which that
7 community is authorized to act, and that community may carry out
8 or perform those powers or functions for the agency.

9 **Sec. 9.** NRS 279.460 is hereby amended to read as follows:

10 279.460 Each redevelopment agency exercises governmental
11 functions and has the powers prescribed in NRS 279.382 to
12 279.685, inclusive **[H]**, and *sections 2 and 3 of this act.*

13 **Sec. 10.** NRS 279.462 is hereby amended to read as follows:

14 279.462 An agency may:

- 15 1. Sue and be sued.
- 16 2. Have a seal.
- 17 3. Make and execute contracts and other instruments necessary
18 or convenient to the exercise of its powers.

19 4. Make, amend and repeal bylaws and regulations not
20 inconsistent with, and to carry into effect, the powers and purposes
21 of NRS 279.382 to 279.685, inclusive **[H]**, and *sections 2 and 3 of*
22 *this act.*

23 5. Obtain, hire, purchase or rent office space, equipment,
24 supplies, insurance and services.

25 6. Authorize and pay the travel expenses of agency members,
26 officers, agents, counsel and employees on agency business.

27 **Sec. 11.** NRS 279.468 is hereby amended to read as follows:

28 279.468 An agency may:

29 1. From time to time prepare plans for the improvement,
30 rehabilitation and redevelopment of blighted areas.

31 2. Disseminate redevelopment information.

32 3. Accept financial or other assistance from any public or
33 private source, for the agency's activities, powers and duties, and
34 expend any funds so received for any of the purposes of NRS
35 279.382 to 279.685, inclusive **[H]**, and *sections 2 and 3 of this act.*

36 4. For each neighborhood within the redevelopment area,
37 create a residential plan for the neighborhood or appoint an advisory
38 council for redevelopment and delegate the authority to create the
39 residential plan to the advisory council. A residential plan created by
40 an advisory council must be approved by the agency, and each
41 residential plan created pursuant to this subsection must include a
42 financing plan.

43 5. Include in its budget all money received from any source,
44 including, without limitation, money received from a local



1 government for use by an advisory council in carrying out a
2 residential plan approved by the agency.

3 **Sec. 12.** NRS 279.480 is hereby amended to read as follows:

4 279.480 An agency may:

5 1. Invest any money held in reserves or sinking funds, or any
6 money not required for immediate disbursement, in:

7 (a) Obligations issued by the United States Postal Service or the
8 Federal National Mortgage Association, whether or not the payment
9 of principal and interest thereon is guaranteed by the Federal
10 Government.

11 (b) Bonds or other obligations issued by a redevelopment
12 agency created pursuant to NRS 279.382 to 279.685, inclusive, *and*
13 *sections 2 and 3 of this act* or a legislative body that has elected to
14 exercise the powers granted to an agency pursuant to the provisions
15 of NRS 279.382 to 279.685, inclusive ~~H~~, *and sections 2 and 3 of*
16 *this act.*

17 (c) Bonds or other securities issued pursuant to the provisions of
18 NRS 349.150 to 349.364, inclusive, 350.500 to 350.720, inclusive,
19 or 396.809 to 396.885, inclusive.

20 (d) Money market mutual funds that:

21 (1) Are registered with the Securities and Exchange
22 Commission;

23 (2) Are rated by a nationally recognized rating service as
24 "AAA" or its equivalent; and

25 (3) Invest only in securities issued or guaranteed as to
26 payment of principal and interest by the Federal Government, or its
27 agencies or instrumentalities, or in repurchase agreements that are
28 fully collateralized by such securities.

29 (e) Any other investment in which a city may invest pursuant to
30 NRS 355.170.

31 2. Purchase its bonds at a price not more than their principal
32 amount and accrued interest. All bonds so purchased must be
33 cancelled.

34 **Sec. 13.** NRS 279.482 is hereby amended to read as follows:

35 279.482 1. An agency may obligate lessees or purchasers of
36 property acquired in a redevelopment project to:

37 (a) Use the property for the purpose designated in the
38 redevelopment plans.

39 (b) Begin the redevelopment of the area within a period of time
40 which the agency fixes as reasonable.

41 (c) Comply with other conditions which the agency deems
42 necessary to carry out the purposes of NRS 279.382 to 279.685,
43 inclusive, *and sections 2 and 3 of this act* including, without
44 limitation, the provisions of an employment plan or a contract
45 approved for a redevelopment project.



1 2. As appropriate for the particular project, each proposal for a
2 redevelopment project must also include an employment plan. The
3 employment plan must include:

4 (a) A description of the existing opportunities for employment
5 within the area;

6 (b) A projection of the effect that the redevelopment project will
7 have on opportunities for employment within the area; and

8 (c) A description of the manner in which an employer relocating
9 a business into the area plans to employ persons living within the
10 area of operation who:

11 (1) Are economically disadvantaged;

12 (2) Have a physical disability;

13 (3) Are members of racial minorities;

14 (4) Are veterans; or

15 (5) Are women.

16 **Sec. 14.** NRS 279.486 is hereby amended to read as follows:

17 279.486 1. An agency may, with the consent of the
18 legislative body, pay all or part of the value of , *or loan money to*
19 *finance*, the land for and the cost of the construction of any
20 building, facility, structure or other improvement and the installation
21 of any improvement which is publicly or privately owned and
22 located within or without the redevelopment area. Before the
23 legislative body may give its consent, it must determine that:

24 (a) The buildings, facilities, structures or other improvements
25 are of benefit to the redevelopment area or the immediate
26 neighborhood in which the redevelopment area is located; and

27 (b) No other reasonable means of financing those buildings,
28 facilities, structures or other improvements are available.

29 ➤ Those determinations by the agency and the legislative body are
30 final and conclusive.

31 2. In reaching its determination that the buildings, facilities,
32 structures or other improvements are of benefit to the redevelopment
33 area or the immediate neighborhood in which the redevelopment
34 area is located, the legislative body shall consider:

35 (a) Whether the buildings, facilities, structures or other
36 improvements are likely to:

37 (1) Encourage the creation of new business or other
38 appropriate development;

39 (2) Create jobs or other business opportunities for nearby
40 residents;

41 (3) Increase local revenues from desirable sources;

42 (4) Increase levels of human activity in the redevelopment
43 area or the immediate neighborhood in which the redevelopment
44 area is located;



1 (5) Possess attributes that are unique, either as to type of use
2 or level of quality and design;

3 (6) Require for their construction, installation or operation
4 the use of qualified and trained labor; and

5 (7) Demonstrate greater social or financial benefits to the
6 community than would a similar set of buildings, facilities,
7 structures or other improvements not paid for by the agency.

8 (b) The opinions of persons who reside in the redevelopment
9 area or the immediate neighborhood in which the redevelopment
10 area is located.

11 (c) Comparisons between the level of spending proposed by the
12 agency and projections, made on a pro forma basis by the agency, of
13 future revenues attributable to the buildings, facilities, structures or
14 other improvements.

15 3. If the value of that land or the cost of the construction of that
16 building, facility, structure or other improvement, or the installation
17 of any improvement has been, or will be, paid or provided for
18 initially by the community or other governmental entity, the agency
19 may enter into a contract with that community or governmental
20 entity under which it agrees to reimburse the community or
21 governmental entity for all or part of the value of that land or of the
22 cost of the building, facility, structure or other improvement, or
23 both, by periodic payments over a period of years. The obligation of
24 the agency under that contract constitutes an indebtedness of the
25 agency which may be payable out of taxes levied and allocated to
26 the agency under paragraph (b) of subsection 1 of NRS 279.676, or
27 out of any other available money.

28 **Sec. 15.** NRS 279.618 is hereby amended to read as follows:

29 279.618 1. Each agency shall file with the legislative body a
30 detailed report of all of its transactions, including a statement of all
31 revenues and expenditures, at monthly, quarterly or annual intervals
32 as the legislative body may prescribe.

33 2. *Each agency shall file annually with the Committee on*
34 *Local Government Finance a detailed report that includes:*

35 (a) *A statement of all revenues and expenditures of the*
36 *agency;*

37 (b) *A legal description of the boundaries of the redevelopment*
38 *area;*

39 (c) *A map depicting the boundaries of the redevelopment area;*

40 (d) *The date on which the redevelopment plan for the*
41 *redevelopment area was adopted;*

42 (e) *The scheduled end date of the redevelopment plan;*

43 (f) *The total amount of the assessed value of the taxable*
44 *property in the redevelopment area for:*



1 (1) *The fiscal year immediately preceding the date of the*
2 *adoption of the redevelopment plan; and*

3 (2) *The fiscal year during which the redevelopment plan*
4 *was adopted;*

5 (g) *The combined overlapping tax rate for the redevelopment*
6 *area;*

7 (h) *For the preceding fiscal year, the revenue received from*
8 *taxes ad valorem on all taxable property in any tax increment area*
9 *as defined in NRS 278C.130 within the boundaries of the*
10 *redevelopment area;*

11 (i) *A written or electronic copy of each agreement,*
12 *memorandum of understanding, purchase and sale contract for*
13 *real property or other document relating to each redevelopment*
14 *project that the agency entered into during the preceding fiscal*
15 *year;*

16 (j) *The amortization schedule for all debt incurred for the*
17 *redevelopment area and the reasons for incurring such debt; and*

18 (k) *Any other information required by the Committee on Local*
19 *Government Finance.*

20 **Sec. 16.** NRS 279.685 is hereby amended to read as follows:

21 279.685 1. Except as otherwise provided in this section ~~[, and]~~

22 :
23 (a) *An agency of a city whose population is 300,000 or more*
24 *that receives revenue from taxes pursuant to paragraph (b) of*
25 *subsection 1 of NRS 279.676 shall set aside not less than 15 percent*
26 *of that revenue received on or before October 1, 1999, and 18*
27 *percent of that revenue received after October 1, 1999, but before*
28 *October 1, 2011, to increase, improve and preserve the number of*
29 *dwelling units in the community for low-income households [] ;*
30 *and*

31 (b) *An agency that receives revenue from taxes pursuant to*
32 *paragraph (b) of subsection 1 of NRS 279.676 shall set aside not*
33 *less than 18 percent of that revenue received on or after October 1,*
34 *2011, to increase, improve and preserve the number of dwelling*
35 *units for low-income households and educational facilities within*
36 *the boundaries of the redevelopment area.*

37 2. The obligation of an agency to set aside not less than 15
38 percent of the revenue from taxes allocated to and received by the
39 agency pursuant to paragraph (b) of subsection 1 of NRS 279.676 is
40 subordinate to any existing obligations of the agency. As used in
41 this subsection, "existing obligations" means the principal and
42 interest, when due, on any bonds, notes or other indebtedness
43 whether funded, refunded, assumed or otherwise incurred by the
44 agency before July 1, 1993, to finance or refinance in whole or in
45 part, the redevelopment of a redevelopment area. For the purposes



1 of this subsection, obligations incurred by an agency after July 1,
2 1993, shall be deemed existing obligations if the net proceeds are
3 used to refinance existing obligations of the agency.

4 3. The obligation of an agency to set aside an additional 3
5 percent of the revenue from taxes allocated to and received by the
6 agency pursuant to paragraph (b) of subsection 1 of NRS 279.676 is
7 subordinate to any existing obligations of the agency. As used in
8 this subsection, "existing obligations" means the principal and
9 interest, when due, on any bonds, notes or other indebtedness
10 whether funded, refunded, assumed or otherwise incurred by the
11 agency before October 1, 1999, to finance or refinance in whole or
12 in part, the redevelopment of a redevelopment area. For the
13 purposes of this subsection, obligations incurred by an agency after
14 October 1, 1999, shall be deemed existing obligations if the net
15 proceeds are used to refinance existing obligations of the agency.

16 4. ~~[The]~~ *The obligation of an agency to set aside 18 percent of*
17 *the revenue from taxes allocated to and received by the agency*
18 *pursuant to paragraph (b) of subsection 1 of NRS 279.676 is*
19 *subordinate to any existing obligations of the agency. As used in*
20 *this subsection, "existing obligations" means the principal and*
21 *interest, when due, on any bonds, notes or other indebtedness*
22 *whether funded, refunded, assumed or otherwise incurred by the*
23 *agency before October 1, 2011, to finance or refinance in whole or*
24 *in part the redevelopment of a redevelopment area. For the*
25 *purposes of this subsection, obligations incurred by an agency on*
26 *or after October 1, 2011, shall be deemed to be existing obligations*
27 *if the net proceeds are used to refinance existing obligations of the*
28 *agency.*

29 5. *From the revenue set aside by an agency pursuant to*
30 *paragraph (b) of subsection 1, not more than 50 percent of that*
31 *amount may be used to:*

32 (a) *Increase, improve and preserve the number of dwelling*
33 *units for low-income households within the boundaries of the*
34 *redevelopment area; or*

35 (b) *Increase, improve and preserve the number of educational*
36 *facilities within the boundaries of the redevelopment area,*

37 *unless the agency establishes that such an amount is*
38 *insufficient to pay the cost of a project identified in the*
39 *redevelopment plan for the redevelopment area.*

40 6. *Except as otherwise provided in paragraph (b) of*
41 *subsection 1 and subsection 5, the agency may expend or otherwise*
42 *commit money for the purposes of subsection 1 outside the*
43 *boundaries of the redevelopment area.*



1 **Sec. 17.** NRS 37.010 is hereby amended to read as follows:

2 37.010 1. Subject to the provisions of this chapter and the
3 limitations in subsections 2 and 3, the right of eminent domain may
4 be exercised in behalf of the following public uses:

5 (a) Federal activities. All public purposes authorized by the
6 Government of the United States.

7 (b) State activities. Public buildings and grounds for the use of
8 the State, the Nevada System of Higher Education and all other
9 public purposes authorized by the Legislature.

10 (c) County, city, town and school district activities. Public
11 buildings and grounds for the use of any county, incorporated city or
12 town, or school district, reservoirs, water rights, canals, aqueducts,
13 flumes, ditches or pipes for conducting water for the use of the
14 inhabitants of any county, incorporated city or town, for draining
15 any county, incorporated city or town, for raising the banks of
16 streams, removing obstructions therefrom, and widening, deepening
17 or straightening their channels, for roads, streets and alleys, and all
18 other public purposes for the benefit of any county, incorporated
19 city or town, or the inhabitants thereof.

20 (d) Bridges, toll roads, railroads, street railways and similar
21 uses. Wharves, docks, piers, chutes, booms, ferries, bridges, toll
22 roads, byroads, plank and turnpike roads, roads for transportation by
23 traction engines or locomotives, roads for logging or lumbering
24 purposes, and railroads and street railways for public transportation.

25 (e) Ditches, canals, aqueducts for smelting, domestic uses,
26 irrigation and reclamation. Reservoirs, dams, water gates, canals,
27 ditches, flumes, tunnels, aqueducts and pipes for supplying persons,
28 mines, mills, smelters or other works for the reduction of ores, with
29 water for domestic and other uses, for irrigating purposes, for
30 draining and reclaiming lands, or for floating logs and lumber on
31 streams not navigable.

32 (f) Mining, smelting and related activities. Mining, smelting and
33 related activities as follows:

34 (1) Mining and related activities, which are recognized as the
35 paramount interest of this State.

36 (2) Roads, railroads, tramways, tunnels, ditches, flumes,
37 pipes, reservoirs, dams, water gates, canals, aqueducts and dumping
38 places to facilitate the milling, smelting or other reduction of ores,
39 the working, reclamation or dewatering of mines, and for all mining
40 purposes, outlets, natural or otherwise, for the deposit or conduct of
41 tailings, refuse, or water from mills, smelters, or other work for the
42 reduction of ores from mines, mill dams, pipelines, tanks or
43 reservoirs for natural gas or oil, an occupancy in common by the
44 owners or possessors of different mines, mills, smelters or other
45 places for the reduction of ores, or any place for the flow, deposit or



1 conduct of tailings or refuse matter and the necessary land upon
2 which to erect smelters and to operate them successfully, including
3 the deposit of fine flue dust, fumes and smoke.

4 (g) Byroads. Byroads leading from highways to residences and
5 farms.

6 (h) Public utilities. Lines for telegraph, telephone, electric light
7 and electric power and sites for plants for electric light and power.

8 (i) Sewerage. Sewerage of any city, town, settlement of not less
9 than 10 families or any public building belonging to the State or
10 college or university.

11 (j) Water for generation and transmission of electricity. Canals,
12 reservoirs, dams, ditches, flumes, aqueducts and pipes for supplying
13 and storing water for the operation of machinery to generate and
14 transmit electricity for power, light or heat.

15 (k) Cemeteries, public parks. Cemeteries or public parks.

16 (l) Pipelines of beet sugar industry. Pipelines to conduct any
17 liquids connected with the manufacture of beet sugar.

18 (m) Pipelines for petroleum products, natural gas. Pipelines for
19 the transportation of crude petroleum, petroleum products or natural
20 gas, whether interstate or intrastate.

21 (n) Aviation. Airports, facilities for air navigation and aerial
22 rights-of-way.

23 (o) Monorails. Monorails and any other overhead or
24 underground system used for public transportation.

25 (p) Video service providers. Video service providers that are
26 authorized pursuant to chapter 711 of NRS to operate a video
27 service network. The exercise of the power of eminent domain may
28 include the right to use the wires, conduits, cables or poles of any
29 public utility if:

30 (1) It creates no substantial detriment to the service provided
31 by the utility;

32 (2) It causes no irreparable injury to the utility; and

33 (3) The Public Utilities Commission of Nevada, after giving
34 notice and affording a hearing to all persons affected by the
35 proposed use of the wires, conduits, cables or poles, has found that it
36 is in the public interest.

37 (q) Redevelopment. The acquisition of property pursuant to
38 NRS 279.382 to 279.685, inclusive **[H]**, *and sections 2 and 3 of this*
39 *act.*

40 2. Notwithstanding any other provision of law and except as
41 otherwise provided in this subsection, the public uses for which
42 private property may be taken by the exercise of eminent domain do
43 not include the direct or indirect transfer of any interest in the
44 property to another private person or entity. Property taken by the



1 exercise of eminent domain may be transferred to another private
2 person or entity in the following circumstances:

3 (a) The entity that took the property transfers the property to a
4 private person or entity and the private person or entity uses the
5 property primarily to benefit a public service, including, without
6 limitation, a utility, railroad, public transportation project, pipeline,
7 road, bridge, airport or facility that is owned by a governmental
8 entity.

9 (b) The entity that took the property leases the property to a
10 private person or entity that occupies an incidental part of an airport
11 or a facility that is owned by a governmental entity and, before
12 leasing the property:

13 (1) Uses its best efforts to notify the person from whom the
14 property was taken that the property will be leased to a private
15 person or entity that will occupy an incidental part of an airport or
16 facility that is owned by a governmental entity; and

17 (2) Provides the person from whom the property was taken
18 with an opportunity to bid or propose on any such lease.

19 (c) The entity that took the property:

20 (1) Took the property in order to acquire property that was
21 abandoned by the owner, abate an immediate threat to the safety of
22 the public or remediate hazardous waste; and

23 (2) Grants a right of first refusal to the person from whom
24 the property was taken that allows that person to reacquire the
25 property on the same terms and conditions that are offered to the
26 other private person or entity.

27 (d) The entity that took the property exchanges it for other
28 property acquired or being acquired by eminent domain or under the
29 threat of eminent domain for roadway or highway purposes, to
30 relocate public or private structures or to avoid payment of
31 excessive compensation or damages.

32 (e) The person from whom the property is taken consents to the
33 taking.

34 3. The entity that is taking property by the exercise of eminent
35 domain has the burden of proving that the taking is for a public use.

36 4. For the purposes of this section, an airport authority or any
37 public airport is not a private person or entity.

38 **Sec. 18.** NRS 274.310 is hereby amended to read as follows:

39 274.310 1. A person who intends to locate a business in this
40 State within:

41 (a) A historically underutilized business zone, as defined in 15
42 U.S.C. § 632;

43 (b) A redevelopment area created pursuant to NRS 279.382 to
44 279.685, inclusive **[§]**, *and sections 2 and 3 of this act*;



1 (c) An area eligible for a community development block grant
2 pursuant to 24 C.F.R. Part 570; or

3 (d) An enterprise community established pursuant to 24 C.F.R.
4 Part 597,

5 ↪ may submit a request to the governing body of the county, city or
6 town in which the business would operate for an endorsement of an
7 application by the person to the Commission on Economic
8 Development for a partial abatement of one or more of the taxes
9 imposed pursuant to chapter 361 or 374 of NRS. The governing
10 body of the county, city or town shall provide notice of the request
11 to the board of trustees of the school district in which the business
12 would operate. The notice must set forth the date, time and location
13 of the hearing at which the governing body will consider whether to
14 endorse the application.

15 2. The governing body of a county, city or town shall develop
16 procedures for:

17 (a) Evaluating whether such an abatement would be beneficial
18 for the economic development of the county, city or town.

19 (b) Issuing a certificate of endorsement for an application for
20 such an abatement that is found to be beneficial for the economic
21 development of the county, city or town.

22 3. A person whose application has been endorsed by the
23 governing body of the county, city or town, as applicable, pursuant
24 to this section may submit the application to the Commission on
25 Economic Development. The Commission shall approve the
26 application if the Commission makes the following determinations:

27 (a) The business is consistent with:

28 (1) The State Plan for Industrial Development and
29 Diversification that is developed by the Commission pursuant to
30 NRS 231.067; and

31 (2) Any guidelines adopted pursuant to the State Plan.

32 (b) The applicant has executed an agreement with the
33 Commission which states that the business will, after the date on
34 which a certificate of eligibility for the abatement is issued pursuant
35 to subsection 4:

36 (1) Commence operation and continue in operation in the
37 historically underutilized business zone, as defined in 15 U.S.C. §
38 632, redevelopment area created pursuant to NRS 279.382 to
39 279.685, inclusive, *and sections 2 and 3 of this act*, area eligible for
40 a community development block grant pursuant to 24 C.F.R. Part
41 570 or enterprise community established pursuant to 24 C.F.R. Part
42 597 for a period specified by the Commission, which must be at
43 least 5 years; and

44 (2) Continue to meet the eligibility requirements set forth in
45 this subsection.



1 ↳ The agreement must bind successors in interest of the business
2 for the specified period.

3 (c) The business is registered pursuant to the laws of this State
4 or the applicant commits to obtain a valid business license and all
5 other permits required by the county, city or town in which the
6 business will operate.

7 (d) The applicant invested or commits to invest a minimum of
8 \$500,000 in capital.

9 4. If the Commission on Economic Development approves an
10 application for a partial abatement, the Commission shall
11 immediately forward a certificate of eligibility for the abatement to:

12 (a) The Department of Taxation;

13 (b) The Nevada Tax Commission; and

14 (c) If the partial abatement is from the property tax imposed
15 pursuant to chapter 361 of NRS, the county treasurer of the county
16 in which the business will be located.

17 5. The Commission on Economic Development may adopt
18 such regulations as the Commission determines to be necessary or
19 advisable to carry out the provisions of this section.

20 6. An applicant for an abatement who is aggrieved by a final
21 decision of the Commission on Economic Development may
22 petition for judicial review in the manner provided in chapter 233B
23 of NRS.

24 **Sec. 19.** NRS 274.320 is hereby amended to read as follows:

25 274.320 1. A person who intends to expand a business in this
26 State within:

27 (a) A historically underutilized business zone, as defined in 15
28 U.S.C. § 632;

29 (b) A redevelopment area created pursuant to NRS 279.382 to
30 279.685, inclusive ~~1~~, *and sections 2 and 3 of this act*;

31 (c) An area eligible for a community development block grant
32 pursuant to 24 C.F.R. Part 570; or

33 (d) An enterprise community established pursuant to 24 C.F.R.
34 Part 597,

35 ↳ may submit a request to the governing body of the county, city or
36 town in which the business operates for an endorsement of an
37 application by the person to the Commission on Economic
38 Development for a partial abatement of the taxes imposed on capital
39 equipment pursuant to chapter 374 of NRS. The governing body of
40 the county, city or town shall provide notice of the request to the
41 board of trustees of the school district in which the business
42 operates. The notice must set forth the date, time and location of the
43 hearing at which the governing body will consider whether to
44 endorse the application.



1 2. The governing body of a county, city or town shall develop
2 procedures for:

3 (a) Evaluating whether such an abatement would be beneficial
4 for the economic development of the county, city or town.

5 (b) Issuing a certificate of endorsement for an application for
6 such an abatement that is found to be beneficial for the economic
7 development of the county, city or town.

8 3. A person whose application has been endorsed by the
9 governing body of the county, city or town, as applicable, pursuant
10 to this section may submit the application to the Commission on
11 Economic Development. The Commission shall approve the
12 application if the Commission makes the following determinations:

13 (a) The business is consistent with:

14 (1) The State Plan for Industrial Development and
15 Diversification that is developed by the Commission pursuant to
16 NRS 231.067; and

17 (2) Any guidelines adopted pursuant to the State Plan.

18 (b) The applicant has executed an agreement with the
19 Commission which states that the business will, after the date on
20 which a certificate of eligibility for the abatement is issued pursuant
21 to subsection 4:

22 (1) Continue in operation in the historically underutilized
23 business zone, as defined in 15 U.S.C. § 632, redevelopment area
24 created pursuant to NRS 279.382 to 279.685, inclusive, *and*
25 *sections 2 and 3 of this act*, area eligible for a community
26 development block grant pursuant to 24 C.F.R. Part 570 or
27 enterprise community established pursuant to 24 C.F.R. Part 597 for
28 a period specified by the Commission, which must be at least 5
29 years; and

30 (2) Continue to meet the eligibility requirements set forth in
31 this subsection.

32 ➔ The agreement must bind successors in interest of the business
33 for the specified period.

34 (c) The business is registered pursuant to the laws of this State
35 or the applicant commits to obtain a valid business license and all
36 other permits required by the county, city or town in which the
37 business operates.

38 (d) The applicant invested or commits to invest a minimum of
39 \$250,000 in capital equipment.

40 4. If the Commission on Economic Development approves an
41 application for a partial abatement, the Commission shall
42 immediately forward a certificate of eligibility for the abatement to:

43 (a) The Department of Taxation; and

44 (b) The Nevada Tax Commission.



1 5. The Commission on Economic Development may adopt
2 such regulations as the Commission determines to be necessary or
3 advisable to carry out the provisions of this section.

4 6. An applicant for an abatement who is aggrieved by a final
5 decision of the Commission on Economic Development may
6 petition for judicial review in the manner provided in chapter 233B
7 of NRS.

8 **Sec. 20.** This act becomes effective on July 1, 2011.



