

Senate Bill No. 92–Senator Hardy

CHAPTER.....

AN ACT relating to development; revising provisions relating to the preservation of historic neighborhoods in certain regional plans; authorizing redevelopment agencies to expend money, subject to certain limitations, to improve educational facilities located within certain cities or counties; requiring redevelopment agencies to file reports with their respective governing bodies and the Director of the Legislative Counsel Bureau; requiring certain redevelopment agencies to set aside certain revenue from property taxes for an additional purpose; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Section 1 of this bill removes the specific requirement of addressing the preservation of historic neighborhoods in the regional plan of a county whose population is 100,000 or more but less than 400,000 (currently Washoe County).

Section 2 of this bill requires a redevelopment agency to submit, upon adoption of a redevelopment plan for a redevelopment area, an initial report containing certain specified information regarding each redevelopment area to the legislative body of the community and to the Nevada Legislature. Each agency is also required to submit an annual report containing information for the redevelopment area for the previous fiscal year, including with respect to areas in existence on July 1, 2011. **Section 7** of this bill provides for the submission of an initial report for each redevelopment area for which a redevelopment plan has been adopted before July 1, 2011.

Existing law authorizes the legislative body of a community, having recognized the need for a redevelopment agency to function in the community, to establish a redevelopment revolving fund. (NRS 279.386, 279.392, 279.396, 279.410, 279.620) Existing law also specifies the manner in which, and the permissible purposes for which, money may be expended from the redevelopment revolving fund. (NRS 279.628) **Section 5** of this bill expands the permissible purposes for which money may be expended from a redevelopment revolving fund to include use by a redevelopment agency for the improvement, with certain limitations, of educational facilities in a city or county with a redevelopment area within its boundaries.

Section 6 of this bill requires the redevelopment agency of a city whose population is 300,000 or more (currently the City of Las Vegas) that receives certain revenue from taxes to set aside a portion of those revenues received on or after October 1, 2011, to be used to increase, improve and preserve, in addition to the number of dwelling units in the community for low-income households, the number of educational facilities within the redevelopment area.



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

Section 1. NRS 278.0274 is hereby amended to read as follows:

278.0274 The comprehensive regional plan must include goals, policies, maps and other documents relating to:

1. Population, including a projection of population growth in the region and the resources that will be necessary to support that population.

2. Conservation, including policies relating to the use and protection of air, land, water and other natural resources, ambient air quality, natural recharge areas, floodplains and wetlands, and a map showing the areas that are best suited for development based on those policies.

3. The limitation of the premature expansion of development into undeveloped areas, preservation of neighborhoods ~~[, including, without limitation, historic neighborhoods,]~~ and revitalization of urban areas, including, without limitation, policies that relate to the interspersation of new housing and businesses in established neighborhoods and set forth principles by which growth will be directed to older urban areas.

4. Land use and transportation, including the classification of future land uses by density or intensity of development based upon the projected necessity and availability of public facilities, including, without limitation, schools, and services and natural resources, and the compatibility of development in one area with that of other areas in the region. This portion of the plan must:

(a) Address, if applicable:

(1) Mixed-use development, transit-oriented development, master-planned communities and gaming enterprise districts; and

(2) The coordination and compatibility of land uses with each military installation in the region, taking into account the location, purpose and stated mission of the military installation;

(b) Allow for a variety of uses;

(c) Describe the transportation facilities that will be necessary to satisfy the requirements created by those future uses; and

(d) Be based upon the policies and map relating to conservation that are developed pursuant to subsection 2, surveys, studies and data relating to the area, the amount of land required to accommodate planned growth, the population of the area projected



pursuant to subsection 1, and the characteristics of undeveloped land in the area.

5. Public facilities and services, including provisions relating to sanitary sewer facilities, solid waste, flood control, potable water and groundwater aquifer recharge which are correlated with principles and guidelines for future land uses, and which specify ways to satisfy the requirements created by those future uses. This portion of the plan must:

(a) Describe the problems and needs of the area relating to public facilities and services and the general facilities that will be required for their solution and satisfaction;

(b) Identify the providers of public services within the region and the area within which each must serve, including service territories set by the Public Utilities Commission of Nevada for public utilities;

(c) Establish the time within which those public facilities and services necessary to support the development relating to land use and transportation must be made available to satisfy the requirements created by that development; and

(d) Contain a summary prepared by the regional planning commission regarding the plans for capital improvements that:

(1) Are required to be prepared by each local government in the region pursuant to NRS 278.0226; and

(2) May be prepared by the water planning commission of the county, the regional transportation commission and the county school district.

6. Annexation, including the identification of spheres of influence for each unit of local government, improvement district or other service district and specifying standards and policies for changing the boundaries of a sphere of influence and procedures for the review of development within each sphere of influence. As used in this subsection, "sphere of influence" means an area into which a political subdivision may expand in the foreseeable future.

7. Intergovernmental coordination, including the establishment of guidelines for determining whether local master plans and facilities plans conform with the comprehensive regional plan.

8. Any utility project required to be reported pursuant to NRS 278.145.

Sec. 2. Chapter 279 of NRS is hereby amended by adding thereto a new section to read as follows:

1. In addition to the report required pursuant to the provisions of subsection 2, for each redevelopment area for which a redevelopment plan is adopted pursuant to the provisions of



NRS 279.586 on or after July 1, 2011, the agency shall, on or before the January 1 next after the adoption of the plan, submit to the Director of the Legislative Counsel Bureau, for transmittal to the Legislature, and to the legislative body a report on a form prescribed by the Committee on Local Government Finance that includes, without limitation, the following information for the redevelopment area:

(a) A legal description of the boundaries of the redevelopment area;

(b) The date on which the redevelopment plan for the redevelopment area was adopted;

(c) The scheduled termination date of the redevelopment plan;

(d) The total sum of the assessed value of the taxable property in the redevelopment area for:

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

(2) The fiscal year during which the redevelopment plan was adopted, if such fiscal year ends before the reporting deadline;

(e) The combined overlapping tax rate of the redevelopment area;

(f) The property tax rate of the redevelopment area;

(g) The property tax revenue expected to be received from any tax increment area, as defined in NRS 278C.130, within the redevelopment area during the first fiscal year that the agency will receive an allocation pursuant to the provisions of NRS 279.676;

(h) Copies of any memoranda of understanding into which the agency enters during the fiscal year in which the redevelopment plan was adopted; and

(i) The amortization schedule for any debt incurred for the redevelopment area and the reasons for incurring the debt.

2. On or before January 1 of each year, for each redevelopment area for which a redevelopment plan has been adopted pursuant to the provisions of NRS 279.586, the agency shall submit to the Director of the Legislative Counsel Bureau, for transmittal to the Legislature, and to the legislative body a report on a form prescribed by the Committee on Local Government Finance that includes, without limitation, the following information for the redevelopment area for the previous fiscal year:

(a) The property tax revenue received from any tax increment area, as defined in NRS 278C.130, within the redevelopment area;



(b) The combined overlapping tax rate of the redevelopment area;

(c) The property tax rate of the redevelopment area;

(d) The total sum of the assessed value of the taxable property in the redevelopment area;

(e) If the amount reported pursuant to the provisions of paragraph (d) is less than the total sum of the assessed value of the taxable property in the redevelopment area for any other previous fiscal year, an explanation of the reason for the difference;

(f) Copies of any memoranda of understanding into which the agency enters;

(g) The amortization schedule for any debt incurred for the redevelopment area and the reasons for incurring the debt; and

(h) Any change to the boundary of the redevelopment area and an explanation of the reason for the change.

3. Any report for a redevelopment area submitted pursuant to the provisions of subsection 1 must be submitted with the report for the redevelopment area submitted pursuant to the provisions of subsection 2.

Sec. 3. NRS 279.382 is hereby amended to read as follows:

279.382 The provisions contained in NRS 279.382 to 279.685, inclusive, *and section 2 of this act* may be cited as the Community Redevelopment Law.

Sec. 4. NRS 279.384 is hereby amended to read as follows:

279.384 As used in NRS 279.382 to 279.685, inclusive, *and section 2 of this act*, unless the context otherwise requires, the words and terms defined in NRS 279.386 to 279.414, inclusive, have the meanings ascribed to them in those sections.

Sec. 5. NRS 279.628 is hereby amended to read as follows:

279.628 1. By resolution of the legislative body adopted by a majority vote any money in the redevelopment revolving fund may be expended from time to time for:

(a) The acquisition of real property in any redevelopment area.

(b) The clearance, aiding in relocation of occupants of the site and preparation of any redevelopment area for redevelopment.

2. By resolution of the legislative body adopted by a two-thirds vote, any money in the redevelopment revolving fund may be paid to the agency, upon such terms and conditions as the legislative body may prescribe for any of the following purposes:

(a) Deposit in a trust fund to be expended for the acquisition of real property in any redevelopment area.

(b) The clearance of any redevelopment area for redevelopment.



(c) Any expenses necessary or incidental to the carrying out of a redevelopment plan which has been adopted by the legislative body.

(d) For the provision of grants to pay the costs related to the improvement of educational facilities in the community, except for the cost of any regular expenses of such an educational facility.

Sec. 6. NRS 279.685 is hereby amended to read as follows:

279.685 1. Except as otherwise provided in this section, an agency of a city whose population is 300,000 or more that receives revenue from taxes pursuant to paragraph (b) of subsection 1 of NRS 279.676 shall set aside not less than ~~15~~:

(a) Fifteen percent of that revenue received on or before October 1, 1999, and 18 percent of that revenue received after October 1, 1999, but before October 1, 2011, to increase, improve and preserve the number of dwelling units in the community for low-income households ~~15~~; and

(b) Eighteen percent of that revenue received on or after October 1, 2011, to increase, improve and preserve the number of:

(1) Dwelling units in the community for low-income households; and

(2) Educational facilities within the redevelopment area.

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

3. The obligation of an agency to set aside an additional 3 percent of the revenue from taxes allocated to and received by the agency pursuant to paragraph (b) of subsection 1 of NRS 279.676 is subordinate to any existing obligations of the agency. As used in this subsection, "existing obligations" means the principal and interest, when due, on any bonds, notes or other indebtedness whether funded, refunded, assumed or otherwise incurred by the agency before October 1, 1999, to finance or refinance in whole or in part, the redevelopment of a redevelopment area. For the purposes of this subsection, obligations incurred by an agency after



October 1, 1999, shall be deemed existing obligations if the net proceeds are used to refinance existing obligations of the agency.

4. ~~[The]~~ *From the revenue set aside by an agency pursuant to paragraph (b) of subsection 1, not more than 50 percent of that amount may be used to:*

(a) Increase, improve and preserve the number of dwelling units in the community for low-income households; or

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

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

5. *Except as otherwise provided in paragraph (b) of subsection 1 and subsection 4, the* agency may expend or otherwise commit money for the purposes of subsection 1 outside the boundaries of the redevelopment area.

Sec. 7. 1. On or before January 1, 2012, for each redevelopment area for which a redevelopment plan has been adopted pursuant to the provisions of NRS 279.586 before July 1, 2011, the agency shall submit to the Director of the Legislative Counsel Bureau, for transmittal to the Legislature and to the legislative body a report on a form prescribed by the Committee on Local Government Finance that includes, without limitation, the following information for the redevelopment area:

(a) A legal description of the boundaries of the redevelopment area;

(b) The date on which the redevelopment plan for the redevelopment area was adopted;

(c) The scheduled termination date of the redevelopment plan;

(d) The total sum of the assessed value of the taxable property in the redevelopment area for:

(1) The fiscal year immediately preceding the adoption of the redevelopment plan;

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

(3) The combined overlapping tax rate of the redevelopment area;

(4) The property tax rate of the redevelopment area;

(5) The property tax revenue received from any tax increment area, as defined in NRS 278C.130, within the redevelopment area for the fiscal year ending June 30, 2011;

(6) Copies of any memoranda of understanding into which the agency enters during the fiscal year ending June 30, 2011; and



(7) The amortization schedule for any debt incurred for the redevelopment area and the reasons for incurring the debt.

2. As used in this section:

(a) "Agency" has the meaning ascribed to it in NRS 279.386.

(b) "Legislative body" has the meaning ascribed to it in NRS 279.396.

(c) "Redevelopment area" has the meaning ascribed to it in NRS 279.410.

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

