

ASSEMBLY BILL NO. 306—ASSEMBLYMEN GIUNCHIGLIANI, BUCKLEY, ARBERRY, ANDERSON, BACHE, FREEMAN, TIFFANY, PARNELL, DE BRAGA, WILLIAMS, PARKS, SEGERBLOM, COLLINS, MANENDO, OHRENSCHALL AND GOLDWATER

FEBRUARY 23, 1999

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing community redevelopment. (BDR 22-15)

FISCAL NOTE: Effect on Local Government: Yes.
Effect on the State or on Industrial Insurance: 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 community redevelopment; restricting the power of eminent domain of a redevelopment agency in certain counties; authorizing the creation of advisory councils for redevelopment within redevelopment areas; authorizing the funding of such councils; revising the provisions governing the setting aside of money for low income housing in certain cities; making various changes relating to relocation benefits; and providing other matters properly relating thereto.

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

Section 1. Chapter 279 of NRS is hereby amended by adding thereto a new section to read as follows:

1. In a county whose population is 100,000 or more, an agency may exercise the power of eminent domain to acquire property for a redevelopment project only if:

(a) The property sought to be acquired is necessary to carry out the redevelopment plan;

(b) The agency has adopted a resolution of necessity that complies with the requirements set forth in subsection 2; and

(c) The agency has made every reasonable effort to negotiate the purchase of the property.

2. A resolution of necessity required pursuant to paragraph (b) of subsection 1 must set forth:

1 (a) *A statement that the property will be acquired for purposes of*
2 *redevelopment as authorized pursuant to subsection 17 of NRS 37.010*
3 *and subsection 2 of NRS 279.470;*

4 (b) *A reasonably detailed description of the property to be acquired;*

5 (c) *A finding by the agency that the public interest and necessity*
6 *require the acquisition of the property;*

7 (d) *A finding by the agency that acquisition of the property will be the*
8 *option for redevelopment that is most compatible with the greatest public*
9 *good and the least private injury; and*

10 (e) *A finding by the agency that acquisition of the property is*
11 *necessary for purposes of redevelopment.*

12 3. *After an agency adopts a resolution of necessity, the resolution so*
13 *adopted and the findings set forth in the resolution are final and*
14 *conclusive and are not subject to judicial review unless credible evidence*
15 *is adduced to suggest that the resolution or the findings set forth therein*
16 *were procured through bribery or fraud.*

17 **Sec. 2.** NRS 279.382 is hereby amended to read as follows:

18 279.382 The provisions contained in NRS 279.382 to 279.685,
19 inclusive, *and section 1 of this act* may be cited as the Community
20 Redevelopment Law.

21 **Sec. 3.** NRS 279.438 is hereby amended to read as follows:

22 279.438 A redevelopment plan adopted before July 1, 1987, and any
23 amendments to the plan must terminate at the end of the fiscal year in
24 which the principal and interest of the last maturing of the securities issued
25 before that date are fully paid or ~~at the time provided in NRS 279.439,~~ 45
26 *years after the date on which the original redevelopment plan was*
27 *adopted,* whichever is later.

28 **Sec. 4.** NRS 279.468 is hereby amended to read as follows:

29 279.468 An agency may:

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

32 2. Disseminate redevelopment information.

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

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

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

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

3 **Sec. 5.** NRS 279.470 is hereby amended to read as follows:

4 279.470 Within the redevelopment area or for purposes of
5 redevelopment an agency may:

6 1. Purchase, lease, obtain option upon, acquire by gift, grant, bequest,
7 devise or otherwise, any real or personal property, any interest in property
8 and any improvements thereon.

9 2. ~~Acquire~~ *Except as otherwise provided in section 1 of this act,*
10 *acquire* real property by eminent domain.

11 3. Clear buildings, structures or other improvements from any real
12 property acquired.

13 4. Sell, lease, exchange, subdivide, transfer, assign, pledge, encumber
14 by mortgage, deed of trust or otherwise, or otherwise dispose of any real or
15 personal property or any interest in property.

16 5. Insure or provide for the insurance of any real or personal property
17 or operations of the agency against risks or hazards.

18 6. Rent, maintain, manage, operate, repair and clear such real property.

19 **Sec. 6.** NRS 279.478 is hereby amended to read as follows:

20 279.478 1. An agency shall provide assistance for relocation and
21 shall make all ~~of~~ the payments required ~~in~~ *by chapter 342 of NRS and*
22 *the* regulations adopted by the director of the department of transportation
23 pursuant ~~to NRS 342.005~~ *thereto* for programs or projects for which
24 federal financial assistance is received to pay all or any part of the cost of
25 that program or project.

26 2. This section does not limit any other authority which an agency may
27 have to make other payments for assistance for relocation or to make any
28 payment for that assistance which exceeds the amount authorized in
29 regulations adopted by the director of the department of transportation
30 pursuant to *chapter 342 of NRS .* ~~342.105.~~

31 **Sec. 7.** NRS 279.482 is hereby amended to read as follows:

32 279.482 1. An agency may obligate lessees or purchasers of property
33 acquired in a redevelopment project to:

34 (a) Use the property for the purpose designated in the redevelopment
35 plans.

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

38 (c) Comply with other conditions which the agency deems necessary to
39 carry out the purposes of NRS 279.382 to 279.685, inclusive ~~H~~,

40 *including, without limitation, the provisions of an employment plan or a*
41 *contract approved for a redevelopment project.*

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

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

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

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

(1) Economically disadvantaged;

(2) Physically handicapped;

(3) Members of racial minorities;

(4) Veterans; or

(5) Women.

Sec. 8. NRS 279.566 is hereby amended to read as follows:

279.566 1. Every redevelopment plan must provide for the participation *and assistance* in the redevelopment of property in the redevelopment area by the owners of all or part of that property *if* the owners agree to participate in conformity with the redevelopment plan adopted by the legislative body for the area.

2. With respect to each redevelopment area, each agency shall, before the adoption of the redevelopment plan, adopt and make available for public inspection rules to implement the operation of this section in connection with that plan.

3. Every redevelopment plan must contain ~~{alternative}~~ provisions for redevelopment of the property if the owners fail to participate in the redevelopment . ~~{as-agreed.}~~

Sec. 9. NRS 279.680 is hereby amended to read as follows:

279.680 ~~{H}~~ *Except as otherwise provided in NRS 279.685, in* any redevelopment plan, or in the proceedings for the advance of money, or *the* making of loans, or the incurring of any indebtedness, whether funded, refunded, assumed or otherwise, by the redevelopment agency to finance or refinance, in whole or in part, the redevelopment project, the portion of taxes mentioned in paragraph (b) of subsection 1 of NRS 279.676 may be irrevocably pledged for the payment of the principal of and interest on those loans, advances or indebtedness.

Sec. 10. NRS 279.685 is hereby amended to read as follows:

279.685 1. Except as otherwise provided in ~~{subsection 2 or 3,}~~ *this section*, an agency of a city whose population is 200,000 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 percent of that revenue *received on or before October 1, 1999, and 18 percent of that revenue*

1 *received after October 1, 1999*, to increase, improve and preserve the
2 number of dwelling units in the community for low-income households.

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

14 3. *The obligation of an agency to set aside an additional 3 percent of*
15 *the revenue from taxes allocated to and received by the agency pursuant*
16 *to paragraph (b) of subsection 1 of NRS 279.676 is subordinate to any*
17 *existing obligations of the agency. As used in this subsection, "existing*
18 *obligations" means the principal and interest, when due, on any bonds,*
19 *notes or other indebtedness whether funded, refunded, assumed or*
20 *otherwise incurred by the agency before October 1, 1999, to finance or*
21 *refinance in whole or in part, the redevelopment of a redevelopment*
22 *area. For the purposes of this subsection, obligations incurred by an*
23 *agency after October 1, 1999, shall be deemed existing obligations if the*
24 *net proceeds are used to refinance existing obligations of the agency.*

25 4. The agency may expend or otherwise commit money for the
26 purposes of subsection 1 outside the boundaries of the redevelopment area.

27 **Sec. 11.** NRS 342.045 is hereby amended to read as follows:

28 342.045 Before undertaking a project that will result in the
29 displacement of a natural person or a business, each governmental body , *or*
30 *person acting on behalf of, under contract with or in cooperation with*
31 *the governmental body*, shall adopt policies pursuant to NRS 342.015 to
32 342.075, inclusive, to provide relocation assistance and make relocation
33 payments to each person , *whether an owner or a tenant, who is* displaced
34 from his dwelling or business establishment as a result of the acquisition of
35 property in a manner substantially similar to and in amounts equal to or
36 greater than those which are provided for in the federal Uniform Relocation
37 Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C.
38 §§ 4601-4655, and the regulations adopted pursuant thereto. *Nothing in*
39 *this section prohibits the payment of relocation benefits to a renter or*
40 *lessee of real property whose tenancy is from month to month.*