

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON GROWTH AND INFRASTRUCTURE**

**Seventy-Third Session
April 12, 2005**

The Committee on Growth and Infrastructure was called to order at 1:46 p.m., on Tuesday, April 12, 2005. Chairman Richard Perkins presided in Room 4100 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Mr. Richard Perkins, Chairman
Ms. Chris Giunchigliani, Vice Chairwoman
Ms. Francis Allen
Mr. Bernie Anderson
Mr. Tom Grady
Mr. Lynn Hettrick
Mrs. Marilyn Kirkpatrick
Ms. Sheila Leslie
Mr. Harry Mortenson
Mr. David Parks
Ms. Peggy Pierce
Mr. Scott Sibley
Ms. Valerie Weber

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Assemblyman Joe Hardy, Assembly District No. 20, Clark County
Assemblywoman Heidi S. Gansert, Assembly District No. 25,
Washoe County

STAFF MEMBERS PRESENT:

Susan Scholley, Committee Policy Analyst
James Cassimus, Committee Attaché
Casey Bales, Committee Assistant

OTHERS PRESENT:

Steven D. Hill, Member, Clark County Growth Task Force, Las Vegas, Nevada
Richard B. Holmes, Assistant County Manager, Clark County, Nevada
Jacob L. Snow, General Manager, Regional Transportation Commission of Southern Nevada, Clark County, Nevada
Robin Reedy, Deputy Treasurer, Debt Management, State Treasurer's Office, State of Nevada
Dave Dawley, City Assessor, City of Carson City, Nevada

Chairman Perkins:

[Meeting called to order. Roll called.] We will start this meeting by receiving a presentation by the Clark County Growth Task Force. Mr. Holmes and Mr. Hill, we look forward to your information.

Steven D. Hill, Member, Clark County Growth Task Force, Las Vegas, Nevada:

I am the president of Silver State Materials Corporation in Las Vegas, Nevada. I was a member of the Growth Task Force, representing the Las Vegas Chamber of Commerce. I am here today representing all 17 members of the Growth Task Force to give you an overview with the help of Mr. Holmes, on what our findings were, what the process was that led us to those findings, what we hope will happen in the future, and what has been done about growth up to this point.

The 17 members represented very diverse elements of Clark County, and we have been meeting for over a year. The group developed some recommendations that apply to the county and, hopefully, will be viewed favorably by the Legislature, the federal government, and the local governments in Clark County.

The conversation about growth did not start with the Task Force, nor will it end when our report is submitted. This is going to be a long process. Clark County has been growing for some time and it is going to continue to grow. We hope that the Growth Task Force added resources and energy to that conversation to help the community get ahead and make progress faster on many issues.

[Steven Hill, continued.] The Task Force provided an opportunity, not only for the 17 members and the staff from the county to get together and talk about the issues of growth, but also for the public to see that conversation, take part in it, and be helpful and instructive to the community. We invited public comments after our meetings. We held an open house that was very well attended. We had focus groups put on by the Lied Institute [for Real Estate Studies] for a wide range of the public, including a youth group at one of the high schools. There was also a large volume of emails; those were handed out to the Committee. We got quite a bit of input and a lot of interaction through this process.

A couple of things should be noted. The Growth Task Force had some freedoms that policymakers in our state—the Legislature, county, and city levels—don't have. We had the opportunity to make recommendations without having to take into consideration competition for resources. When we recommended one thing, we didn't have to trade that off against something else. We did not feel it was within our purview to make those types of policy decisions on those resource allocations. We presented some goals, some results we would like to see, and hoped that the resources would be available to make those things a reality.

While we were aware we were a creation of the county commission, the Task Force felt free to make recommendations that went beyond the scope of just the county. Many issues in southern Nevada are affected by federal legislation, and that will continue to be the case. We made some recommendations along those lines that will require legislative input, and others that would be better implemented on a countywide basis rather than just in unincorporated Clark County.

We made a total of 34 recommendations. There are six areas that we felt had the highest priority. There were another 15 that we felt had high priority, and an additional 13 recommendations that were important to be included in the report but not areas we spent a tremendous amount of time on.

Many of the recommendations start with words like "explore" or "initiate a process to look at ..." One of the reasons for that is we didn't have an opportunity to look at the cost of some of these recommendations, or we felt like letting our policymakers know what result we had in mind and allowing them to design the method to achieve those results.

One of the things you will notice in the report ([Exhibit B](#)), and a big point of conversation, is that the Task Force agreed to not attempt to limit growth to some certain percentage or amount. The overriding vision of the Task Force was to create sustainable growth. On the cover of the report ([Exhibit B](#)), there is a

definition for sustainable growth that the Task Force agreed upon. Basically, it is to allow growth to happen while continuing to improve the quality of life for our citizens.

[Steven Hill, continued.] A couple of themes came through on the report. Land issues became very big over the last couple of years and have a major impact on many of the recommendations that we put forward. We are also moving toward the limits of many of our natural resources, including land, air quality, water, open spaces, and transportation resources, and all of those have a big impact on the quality of life. One area we did not get into was education. We felt that was well beyond our purview. While it is a concern for many, it was not an issue that the Task Force spent time with.

I would note that the report is well-written. Jeremy Aguero at Applied Analysis worked with county staff to put this report together. It is difficult to put down in writing the intention of the Task Force when you have 17 members with such diverse backgrounds. They did an exceptional job of that. While we try today to verbalize the intention of the Task Force, we would be hard-pressed to do it better than what is written in this report. If you have questions on any specific area, read that area in the report. It does a very good job of representing the entirety of the Task Force on the process.

Richard B. Holmes, Assistant County Manager, Clark County, Nevada:

The Task Force put in a tremendous amount of productive time, lots of good thoughts and ideas, creativity, and a solid commitment to try and bring things to a consensus. As a group, they were unified in their commitment to find growth recommendations for Clark County that made sense, which they could live with and enthusiastically support as actions for our Board of County Commissioners, in cooperation with our other regional partners. They are action-oriented and they are in the process, upon adoption of this report by the board on April 5, of being put into place for implementation.

We have a brief PowerPoint presentation ([Exhibit C](#)) to give you a picture, with a few graphics, of what is going on in Clark County. The growth issues that drove the formation of the Task Force are many. You are aware of the population numbers, like our 120 percent increase since 1990. We are still having a net increase of about 5,000 new residents each month. Many more move in as others move out. If we continue on this trend, we will have well over 2 million in population by the year 2010.

Obviously, the Task Force needed to look at a combination of factors, looking at the quality of life issues, environment and natural resource issues, and the

economy, which has been sustained by this rapid growth and has been very healthy.

[Richard Holmes, continued.] On the map (page 2 of [Exhibit C](#)), we have shown Las Vegas Valley. The outer line with the squared-off border is what the BLM [U.S. Bureau of Land Management] has defined as a disposal area. They will, in joint selection with local governments, put up those lands for sale—for disposal—through the auction process. In 1970, before the Southern Nevada Public Land Management Act of 1997 [31 U.S.C. 6901] was envisioned, the outer edges were very far out and away from the developed areas.

By 1990, we had a concentration along our freeway and arterial systems, but still a compact development pattern much larger than in 1970. By 2005, we are getting out against the edges of our development boundary. The areas to the west are bounded by the Red Rock National Conservation Area; not much possibility for expansion in that direction. To the east, we have the Lake Mead National Recreation Area. To the north of the boundary, there is the Desert Conservation and Wildlife Management Area. To the south, some areas are up against the Sloan Canyon National Conservation Area. Much of the debate and discussion in the Task Force was about the growth and the growth pattern, as well as the population numbers.

We had the Task Force consider a variety of subjects within the overall topic of growth and broke that into four areas: urban design; natural resource conservation; facility adequacy, the timing and planning related to our public facilities to match and accommodate growth; and coordination and partnership, the integrating processes, plans, and functional assignments. We provided a brief definition for each of those (page 4 of [Exhibit C](#)).

Urban design relates to the urban pattern, form, and locations. We are looking for actions in this group of strategies that would encourage or reward development in identified and appropriate locations.

Natural resource conservation was a set of actions that would protect and manage sensitive environmental resources: water, air quality, species habitat, and open spaces.

The third group of facility adequacy—timing and planning—relates to how fast things are happening on the ground, such as residential development, versus those supports in infrastructure services, like fire, police, schools, roads, flood control, recreation, et cetera, that people look for and expect for balance and quality of life as the residential development takes place.

[Richard Holmes, continued.] Finally, we didn't want the Task Force to identify and take a close look at areas where we've been coordinating and trying to integrate our plans and processes, but look for new opportunities that we could work with our federal, State, and local jurisdictions, as well as the general public, to develop an approach for all of southern Nevada and not just the unincorporated areas of Clark County.

Steve mentioned that the Task Force was a very diverse group. We did try to achieve quite a bit of variety; a number of interests are represented on the Task Force. It was a somewhat larger group than we normally find in these types of assignments. That, in part, was to capture or gather a variety of interests. Some of these you might find typically in a discussion of growth—the builders, developers, the environmentalists—but we were also looking for the people's side of growth—social service impacts, people familiar with housing, nonprofit organizations, and neighborhood groups that are dealing with issues on the ground. A very high-quality group of people made up our diverse Task Force.

In addition to this, we had a lot of public television coverage of the Growth Task Force meetings. This generated a lot of interest. People started talking about this in a variety of places. We provided a lot of opportunity for public comment. We held evening meetings in addition to the daytime meetings. We had mini workshops that might focus on an issue like mixed-use, transit-oriented development.

We created all of our documents in forms that would go onto our website. Any presentation that was given to the Task Force—transportation, water authority—all of that information was available on the website.

We created a number of focus groups and roundtable discussions. The Lied Institute at UNLV [University of Nevada, Las Vegas] assisted us in that process. We had a Saturday open house, in addition to the Specialized Policy Forum, where elected officials from the different jurisdictions could sit down with our County Commissioners and discuss the issues. In the early stages, this helped set the agenda for the Task Force meetings. We had the usual round of civic groups and organizations that were interested enough to invite the staff and members of the Task Force for presentations.

The process of arriving at the recommendations was built on a broad platform of material prepared by our staff over many months, in the form of briefing documents—the background, history, and current status of different issues. We brought in our subject matter experts wherever we could: Pat Mulroy from Southern Nevada Water Authority, Gale Fraser from Clark County Regional

Flood Control District, Jacob Snow from the Regional Transportation Commission, as well as the school districts. A whole range of presentations were given, not just the county staff version of what's out there and where do we need to look, but from the people who are dealing with these issues on a regular basis.

[Richard Holmes, continued.] As mentioned, a comprehensive cost/benefit analysis from Applied Analysis was put into this process, so that before any of the recommendations were acted on in final version, the Task Force was aware of some of the impacts of those recommendations should they be adopted—the social impacts, environmental impacts, costs, and benefits that would accrue from different recommendations.

We put the Task Force through a “draw some boundaries and keep yourself fenced in” exercise to try and get a handle on this very broad topic given them by our county commissioners. Their vision statement (page 9 of [Exhibit C](#)) reflects the attempt to be balanced. There really are a number of factors which are generally thrown out in a quality-of-life category. As we are looking to protect and enhance that lifestyle—whether it is a healthy, safe environment or cultural and recreational opportunities, education, or health care—that list has to be compared to the other two of environmental issues. What is the situation with our water supply, water quality, and air quality? Are we managing our urban pattern that helps maintain open spaces? Are we dealing with growth issues that balance our habitat conservation needs with the growth and development?

The issue that is most discussed in growth discussion is the economy. Growth helps fuel a lot of the economic development in Clark County—favorable business climate, jobs availability, and long-term investments by many in the development process. This is just one of the factors the Growth Task Force put into a balancing act—a very difficult one, but one that they handled very well.

I am just putting this up for display—not to explain right now—the twenty-one priority strategies (page 10 of [Exhibit C](#)). They are broken up into each of those four categories: urban design, natural resources, facility adequacy, and coordination. We provided an executive summary for you (pages 5 through 15 of [Exhibit B](#)), which you should look through after the presentation. The ones in red are the top of the top priorities. The report itself ([Exhibit B](#)) is available online. It is about 190 pages. We have another 250 pages of appendix material, which has plenty of details. At any point you want more information, just say the word and it will start coming. The Task Force was a year-long process, digesting massive amounts of information. We tried to narrow this down into a few key recommendations for you today.

[Richard Holmes, continued.] One of the top priority statements of a far-reaching goal was a linkage to mass transit. Whether we are dealing with affordable housing, air quality, congestion, or mobility, there was an emphasis on the mass transit linkages to make all of this work. That recommendation applies to many parts of the Task Force product. We are talking about something more than the bus. We are talking about fixed guideways—light rail, bus rapid transit—which is a different animal than your regular commuter bus, and those transportation strategies are something you may want to explore further with Jacob Snow, who will address the Committee after our presentation.

The first one is affordable obtainable housing. This is a topic that started off slow and gained momentum as the Task Force proceeded. We started with what would be your basic affordable obtainable housing discussion. It has a federal definition that applies to a family earning 80 percent of the median income or less and spending no more than 30 percent of their income for housing plus utilities.

As the Task Force proceeded, our housing costs in Las Vegas Valley and southern Nevada proceeded as well (page 15 of [Exhibit C](#)). The rapid escalating cost drove this discussion beyond what we typically see as affordable housing issues—of senior development or other multi-family projects—into what we called “attainable housing.” This has no federal definition, but we had a working definition where, instead of 80 percent or less of median income, we were looking at 81 percent to 120 percent of median income, paying no more than 30 percent of your income for housing plus utilities. This escalation has been described by the Nevada Housing Division as “hyperinflation.” This is beyond anything that we have ever experienced in southern Nevada.

The darker lines (page 15 of [Exhibit C](#)) are the median existing home prices from about January 2001 through January 2005. In that 4-year period, the existing home prices increased about 93 percent, and the median price of a new home during that same period of time was also rapidly increasing, by almost 90 percent. Now we are dealing with new home prices above \$300,000, and the median existing home price is \$250,000. This was something that no one would have predicted four years ago.

Incomes have not progressed at that same rate (page 16 of [Exhibit C](#)). Today, the median family income in Clark County is about \$56,000, compared to a new home price of \$307,000. Using the rule of thumb of 30 percent of income on housing, you would need an income of over \$100,000 to afford a median-priced house. Our median income is \$56,000. That is 179 percent of median income that you are going to need to buy a new house in Clark County.

For existing homes, things are a little better, but there is still a huge gap. A median-income family would not be able to afford a median-priced existing home. You would need 146 percent of your median income to meet the existing home price of \$251,000. Even for rentals, a one-bedroom apartment rental is now close to \$800. That requires a household income of \$14 per hour, full-time employment, in order to afford that kind of rent. Housing issues escalated in the Task Force from a one-issue item to being included as a central focus or key recommendation. We will spend some time on that, because there are a number of strategies related to affordable housing.

[Richard Holmes, continued.] Second of the top recommendations relate to a mixed-use development strategy (page 17 of [Exhibit C](#)). This is where we are trying to reduce some of the commuting, making linkages between where people live, work, might shop, and where recreation might take place. We are trying to find ways to encourage that, but also make sure that our goals, policies, and ordinances that deal with this type of development are inclusive. A high-rise condominium with a Starbucks at the bottom on the first floor is not a mixed-use development. There are two different uses in that building, but the concept of mixed use goes beyond that kind of residential with a little insular commercial area.

We have set standards for recreation and open space with mixed use projects. We have set standards for commercial development mixed with residential. Many of these projects are still coming out of the ground in the Las Vegas Valley. We see more and more applications, and we have a number falling by the wayside. Even if we see a small percentage of what has been approved get built, we are going to see a very dramatic change in the character of some parts of the Las Vegas Valley.

Some of you may be familiar with Green Valley Ranch, which is similar to the picture in the right-hand corner (page 18 of [Exhibit C](#)), of commercial on the first floor and using the second, third, or higher elevations for residential or office space usage. It usually has a link to some improved transportation facility. In the case of the district in Green Valley, it has good access to the freeway. These examples are geared around a mixed use project in Oregon where transit exists (page 18 of [Exhibit C](#)).

The board has taken a look throughout this year-long process at implementing some Task Force recommendations before the final report. We have a mixed-use overlay zone that was first adopted in January and has now been updated in the last few weeks. It comes in four varieties (page 19 of [Exhibit C](#)). The yellow is the most intense type of mixed use project: unlimited high density, subject to the rules which define uses, limits, et cetera. As we look to

the future, as the Las Vegas Strip is extended further south, we think there is an opportunity for very intense types of mixed use projects in that location.

[Richard Holmes, continued.] The red is somewhat less intense. You will see a red circle (page 19 of [Exhibit C](#)) out in the blue area to the left. That represents a node around the Beltway interchange, Durango, which is pre-approved for hotel-casinos. We have a number of requests for mixed-use development projects in that area.

We also recognized there are other opportunities. The blue and the green are less intense. The green area, for example, would be limited to 50 feet in height, probably pretty much a two-story type of arrangement of a very high floor for commercial or office use on the first floor and residential on the second floor. You might be able to get a third-story in there depending on the design. It is nowhere near the intense that we see in the yellow areas. These areas were laid out and tend to follow not only prior planning decisions and land use plans, but also where we would have good linkages for transportation.

Boulder Highway (page 19 of [Exhibit C](#)), the blue diagonal in the upper right-hand corner; the Las Vegas Beltway, moving out to the west; and Blue Diamond Road, are areas to develop in some intense characteristics. That seems far-fetched or out on the edge of the developing area, but with our planned use patterns and consumption of available space, Blue Diamond Road is an area that could move fairly quickly. We have seen these in individual or scattered applications. This overlay, for the first time, lays out a pattern or area where we would expect these to be collected in a transit-oriented development project. Significantly, there is a large area of white space. We don't know what percentage of future development pattern will end up in a mixed use or transit-oriented project. There are plenty of areas for all types of housing projects, all types of densities, and all types of income levels.

We not only take a look at the outside by taking a look at the inside, making best use of our existing services and facilities, areas that may be vacant land inside of our developed areas, areas we may consider under or inefficiently utilized, areas that need revitalization, and areas that need incentives to put new development into an established area. Those might include actions like special handling or permitting a team that would help expedite projects in an infill or redevelopment area, or maybe some flexibility with our development requirements.

One suggestion from the Task Force would be that we get to work in terms of a pre-zoning. Often, a developer is out there by himself—the developer versus the world. There is much resistance to infill projects, some of which is founded

and important for neighborhood discussions. That impacts some of it. Unfounded fears can be handled by site design and mitigation. This recommendation would be to establish the basis density—8 units per acre, 12 units per acre, 18 units per acre—ahead of the actual development application. This is one way we could encourage infill projects through these pre-zoning actions by the board.

[Richard Holmes, continued.] Infill development projects are pretty common around the country. These are a couple of pictures of projects in Plano, Texas (page 21 of [Exhibit C](#)). This is a transit-oriented project with light rail access. The densities here are extremely high and required garage parking, as opposed to on street parking or in a separate lot.

Another high priority area for the Task Force in its recommendations dealt with air quality, transportation, and land use. This was geared to areas outside of Las Vegas Valley, which are not yet a problem in meeting clean air standards. They have clean air today. Our intention is to find a way to ensure that the clean air remains as those areas are developed in the future. Las Vegas Valley is shown in the center in green (page 24 of [Exhibit C](#)) with that BLM disposal boundary. As you move to the southwest, the gray area is our El Dorado Valley, along the I-15 corridor. This is an area that will be moving ahead with an airport and related uses. In some future point, we expect the BLM will designate a disposal area that will accommodate future residential and commercial growth. There are no areas right now outside of the airport area. That is an area we want to be sure that the decisions made on land use, transportation, and air quality all fit together, so it remains a clean air basin.

To the northeast, following the I-15 corridor, is our Apex industrial area in light brown (page 24 of [Exhibit C](#)). With its designation for heavy industrial uses, if the emissions are not handled properly and linked together in terms of cumulative impacts, it could be an area that could reach a status of non-attainment, which we would not want to see in an area where we are trying to encourage heavy industrial, remote from the residential areas in Las Vegas Valley.

In Moapa Valley, the light blue area following, again, the I-15 corridor (page 24 of [Exhibit C](#)), there is quite a bit of privately held land and quite a bit that BLM has earmarked for disposal. There is some potential for it coming into a nonattainment status, because of existing power plants and other features, if our growth issues are not handled correctly.

Another top recommendation of the Task Force dealt with the timing of infrastructure and services. This is an attempt to make a better link between our

land use decisions, private development, and what we do in our capital improvement plans for providing essential public services. We do not follow through after adopting a land use plan with a specific capital improvement plan. In fact, the chairman of our Task Force, Dr. Pat Goodall, who has extensive background in public administration and finance, was bewildered that we do not already link our capital improvement plans to our land use plans. This was a pretty straightforward recommendation from the Task Force. This is something you need to do. Get to work making some commitment as you lay out your land use plans, which have lots of details on future school sites, flood control sites, recreation areas, and parks. Let's follow through with the next step and put the capital plan behind it and link them up. Those two plans together become linked and you set some priorities for the next fire station, Metro [Las Vegas Metropolitan Police Department] substation, et cetera.

[Richard Holmes, continued.] We found we have a need to better coordinate our own services as we deal with recreation, fire protection, road drainage, flood control improvements, and schools. We think that the capital improvement plan would not only be a document for unincorporated Clark County, but also one that other providers, such as the school district, could link into and participate. We would have a better picture for the residents who are in newly developing areas.

Coming back to the mass transit linkages, we were looking to expand our mass transit program (page 28 of [Exhibit C](#)). This is different transit than the bus we have now. This is fixed guideway, light rail, and MAX [Metropolitan Area Express] bus rapid transit. We do have one MAX bus rapid transit route in operation (page 29 of [Exhibit C](#)). It runs along Las Vegas Boulevard to North Las Vegas. It uses existing rights-of-way. It has stations and platforms, and it controls the traffic signals to get priority. It looks and feels like a light rail or monorail vehicle, but it is running on the ground on rubber tires. It is only in the testing phases. Operationally, it seems to be cutting in half the time from Nellis Air Force Base to downtown. It provides a very high-quality transportation experience at twice the speed of our typical bus route.

A number of these MAX bus routes are proposed. They are shown in blue along the dotted lines (page 28 of [Exhibit C](#)), where additional planning is underway. You see the monorail in the center of the screen in light green. The red line in the southeast part of the valley is a proposal for a regional fixed guideway that could move up the mainline of Union Pacific and go as far north as North Las Vegas and the proposed UNLV campus in the northern end of the valley. Other regional fixed guideways are under study. The MAX bus is in the lower left corner of the picture (page 29 of [Exhibit C](#)).

[Richard Holmes, continued.] The graphic on the right (page 29 of [Exhibit C](#)) explains where all this is headed. This is our Beltway pattern: I-15, US-95, and freeway systems. Complementing that, we see that we are moving toward another network of mass transit, high-quality transit vehicles, that will support the types of growth patterns that the Task Force had laid out—mixed use projects, transit-oriented development projects, and those things that rely on other ways of getting around than just the single-occupant vehicle.

Mr. Chairman, that ends our presentation. We have identified 21 top priorities that give you a few areas that might be a link to legislative action. The State administrative functions and executive branches are a big part of implementing the Task Force recommendations. We would be glad to start a dialogue and using some of the information provided in the executive summary of the Task Force report (pages 5 through 15 of [Exhibit B](#)).

Chairman Perkins:

What were the biggest growth concerns related to the Task Force by the public?

Steven Hill:

The issues we heard most about were education—which we didn't feel was within our purview—congestion—frustration from being tied up in traffic—air quality issues, water issues, and the ability to afford a house. The housing concern was not only from those who are here now, but also a concern into the future for their children. That gap between what people make and what it costs to own a home may drive people away. They won't be able to work and live in the same community.

Chairman Perkins:

In the course of your discussions—I know this was a county growth Task Force—was there some participation by the other municipalities, or, at least, some input following along with the dialogue? What has always concerned me is that when, in particular, the Las Vegas Valley builds out, will we have the right land use mixes so that revenue streams will support local government based on the distribution of gaming, industrial, residential, and alike, and the revenues received from that? Was there any discussion like that put before the Task Force?

Richard Holmes:

In terms of a final Las Vegas Valley build out, I would have to say no as the simplest answer to that. The Task Force was really more focused on, as we grow, what should it look like. The mysteries of local government, finance, and the legislative relationship between local governments and the tax structure in

Nevada were not something that the Task Force dealt with in any detail. They did have a couple of recommendations where they asked that we revisit some of the existing revenue sources that are growth-related. I'm thinking of impact fees, the ability to have agreements with developers, where we looked at facility-needs assessments, but not in terms of the final state, and with the Nevada tax structure and the land use that was in place, would that be in balance to sustain the community? That was not part of their recommendations.

Chairman Perkins:

It is something that we should, at least, keep our eye on. All the local governments, Clark County in particular, are addicted to growth dollars. When they hit that wall where there are no additional growth dollars and revenues become static, they are going to have to look for some way to continue to run their operations.

How about the Manhattanization of Las Vegas? Was there much of a discussion about the vertical growth impacts in Clark County?

Steven Hill:

There was a good deal of conversation about the upward growth in Clark County. One of the themes that came through the conversation was the shift from discouragement to encouragement of density, especially along those corridors, with the thought that we would have to continue to look at the needs that are generated by that additional density.

Congestion was a main concern of the public. As we become a more dense community, mass transit became a major issue, both from the development along that urban core, as well as the next unit of mixed-use developments. If we don't have mass transit, we stand a very good chance of extremely bad congestion, much worse than we currently have.

In thinking about those condominiums, there are many aspects that we discussed. Fire protection changes as a result of height. It is not just more fire protection that we'll need, but different types of fire protection. Depending on who lives in those condominiums, the density will require the need for more schools, more health care, and more police. There are many services that are required as a result of that. The Task Force felt that was the direction the community was headed, and we needed to respond to that and not necessarily discourage it.

Assemblyman Mortenson:

You have done a marvelous job and should be commended on your work. I am a little disturbed by one of the things you said, that resource allocation was not considered. I'm thinking especially of water.

The prudent course for any government would be to plan on resources available—concrete things that are nailed down, not speculative sources. I worry about the panic that could ensue if we, for example, continue to grow and start pumping out 200,000 acre feet that we have stored from Lake Mead. That will last us for a while. When we hit the end and have continued to grow, there is going to be a panic. I worry as to what's going to happen at that point. A prudent government works on what they have and speculation for the future.

Steven Hill:

I may have misspoken earlier or not have spoken clearly. When I was speaking about resources, I was referring to financial resources. When we expand mass transit, we didn't take into consideration what the cost would be, who would pay for that, how that expense would be allocated, or what the revenue source would be.

We spent a great deal of time talking about natural resources and the fact that we are going to be bumping up on limits of many of those. Air quality, as well as water availability and quality, is a major issue that may become more of an issue for the community faster than our water availability. The community has done a great job over the past several years conserving water. As our community has grown, the amount of water that we have used has continued to come down.

We have done a good job with air quality. The studies that we've seen show that our air quality in the three areas that we are mostly concerned with in the West—carbon monoxide, dust in the form of PM 10 [particulate matter of 10 micrometers in diameter] or PM 2.5 [particulate matter of 2.5 micrometers in diameter], and ozone—have shown strong signs of improving. There is a cap on ozone, and we are not going to be permitted to exceed that cap. We are going to have to work hard to make sure that we don't bump up on that.

The price of land has gone from \$208,000 an acre in the fourth quarter of 2003 to \$520,000 an acre just five quarters later. That natural resource is also constrained. Another thing for the Legislature to know that we looked at is that we have a multiple species habitat conservation plan. That was entered into with the federal government about 4 years ago. Under that plan, 145,000 acres could be disturbed over the next 30 years for different uses, predominantly development. Fifteen thousand of those acres were designated for governmental

use. In the past 4 years, we have disturbed 34,000 acres. At that rate, we will have disturbed all of the acreage under that cap. This is for all of Clark County, not just the Las Vegas metropolitan area. We will have disturbed all of those acres within 9 or 10 years. One of our recommendations was that a group be formed to look at what to do about that. It is a block wall 10 years away from us, but we need to head in that direction with our eyes open and understand the ramifications of that.

[Steven Hill, continued.] In addition to that, the disposal boundary does not match with that multiple species acreage cap. There are actually more acres inside the disposal boundary than there are available under that multiple species acreage cap. That is one of the things that the Task Force felt should be looked at in order to make those two objectives match better.

Assemblyman Anderson:

I hope that we get a copy of that part of the slide presentation, which I presume is found in that huge document that you presented.

I want to make an observation. We used to go down to Clark County in 1991, 1993, 1995 for a short sojourn with the Legislature. During that time I had an opportunity to look at housing in Clark County. I noted that comparable pieces of real estate, like Lewis Homes, were markedly cheaper in Clark County than they were up here. In your statistical analysis, have you shown what the increase of new housing has been over last 14-year, 30-year, or 40-year time period? Because now, you guys are way ahead of us, where before, we were dramatically ahead of you in terms of cost-comparable 3- or 4-bedroom homes and brand-new construction.

Richard Holmes:

No, we do not have a particular graphic or slide we can pull up today. That information is available. Our housing prices in Las Vegas Valley have been historically lower than many of the surrounding areas. Just recently, before this tremendous increase in housing, we had a median price of 25 percent less than the Phoenix metropolitan area. Today, we are 25 percent above the median price in the Phoenix metropolitan area.

Assemblyman Anderson:

I was going to ask you about that, because you always compare yourself to them. The other question delves with your mass transit question, relative to your interest in developing a corridor that links more than just the hotels, but rather, the residential areas—to elevate the transportation. That is a big question, ultimately, for us statewide. That does not seem to be meeting the

needs of the residential communities as compared to the business communities. Did your study note that, or is that just my outside observation?

Richard Holmes:

The Growth Task Force relied heavily on the work done by the Regional Transportation Commission. Their work in plotting the routes was twofold, both for the business employment side of the equation and for the residential side. Workers, particularly in the resort corridor—the Strip-area, where there is a higher concentration of jobs, could have access to that area without having to have the single-occupant vehicle. Many of our bus routes are geared around that transportation need, that commuting need.

The linkages that are envisioned by the Task Force recommendations would expand on that. It would provide different kinds of routes, vehicles, and different speeds for that movement. It would be a place where some of the higher-density residential development will have access to the higher concentration of jobs.

Assemblyman Anderson:

We always think of new land as being cheap land and the best way for housing development. The availability of new land is going down dramatically. We are spending money on redevelopment of business districts and projects that focus on that. Have we seen in the country a concentration of buying out older housing developments and turning them into new housing developments? Are you seeing any of that other than apartments?

Richard Holmes:

The track record around the country has been mixed on that score of moving into established, older residential areas, perhaps blighted and deteriorating in some respects, trying to rehabilitate those but still maintain the same housing affordability. That has not been successful. You might see new housing projects, more people moving into, say, downtown Denver, moving the railroad yards and redeveloping that area. In San Francisco—the area south of Market Street—there is a baseball stadium, a lot of activity going on, and new housing going in, but it is not going at prices that were in anyway comparable to the type of housing that was displaced by some of those projects.

Assemblyman Anderson:

It always seems that redevelopment focuses on putting financial resources in helping businesses come back into alignment. That same kind of redevelopment does not seem to help people come back to the same kind of affordable housing that they are in, to have another opportunity to meet the new society in which we all find ourselves. I guess it's more a bag at government, in reality, for not

being aware of the housing needs of our communities as clearly as we are in the business needs of our community.

Richard Holmes:

Part of the Task Force recommendations, when dealing with a mixed use project, the transit-oriented development, was to consider all types of housing needs. What we've seen so far have been primarily the higher-end, very expensive types of projects on the Las Vegas Strip. The Task Force's recommendations asked that the board encourage and find ways that some of these higher densities can be translated into lower cost for those who choose that type of lifestyle, having a variety of affordable housing units in a variety of locations throughout the community—not concentrated in one area, but dispersed and scattered in many places. That we have yet to see, but that is part of the Task Force recommendations for a goal that we should pursue.

Assemblywoman Pierce:

You brought up the subject of air quality. I haven't checked this in a while. Are we in attainment for anything?

Steven Hill:

I believe that we are. I am not sure if the EPA [U.S. Environmental Protection Agency] has certified that we are in attainment for carbon monoxide. We are very close to attainment for PM 10, which is an issue I've dealt with over the past 4 or 5 years, helping the county work on its state implementation plan. We have made a lot of progress. We feel we are very close to being in attainment for PM 10. At this point, we are slightly out of attainment on ozone.

One of the non-priority recommendations—predominantly because the county's air quality department assured us they were following through with this—is using treated fuel year-round rather than seasonally. Hopefully, this will put us back into attainment for ozone and buy us some time. As we continue to grow, we will continue to have a growth in that ozone and probably come out of attainment after we get back in. We have made progress, but we still have work to do.

Assemblywoman Pierce:

The area down highway 50 towards the planned airport, that area is a PSD [prevention of significant deterioration]. Are you actually going to be able to put an airport in an area that is a PSD?

Richard Holmes:

Yes, from what we know so far of our ability to model or calculate the total or cumulative emissions from that airshed. In the Primm area, there is the Bighorn

power project, as well as a casino and small residential development. There has been a second power plant proposed for Goodsprings. Before permits were issued for that plant, the question you raised was asked and answered in a favorable way by our air quality modelers.

[Richard Holmes, continued.] The intention of the Growth Task Force recommendation is that these land use decisions, links to transportation, and other decisions that affect air quality be taken into account, to have a conscious awareness of each land use decision and what it means, in terms of deteriorating the clean air basin, which is allowed at some levels. It is not our intention to go beyond the level at which we become unhealthy in that airshed.

Assemblywoman Pierce:

You touched on this, Mr. Hill. One of the things that gets said all the time in this kind of discussion is that if a town doesn't grow, it dies. What was the discussion about that? Are we going to prove that wrong, or are we just going to forever pressure our congressional delegation to get us some more land? I would be interested in that discussion.

Steve Hill:

That was a big topic of conversation in the Task Force. When that conversation started, there was a different perspective from each of the 17 members. Before the Task Force was formed, the Southern Nevada Water Authority had worked with Hobbs, Ong and Associates to talk about the financial impacts of growth-flowing, whether that was, in and of itself, an attempt to slow growth. The information from their report was helpful to the Task Force in understanding the ramifications of that decision.

There were some members that felt that there should be an attempt to slow growth. There were others who felt that should not happen. The consensus that was reached as a result of that conversation was that it was important that growth also translate into quality of life. It would be difficult to enact measures to slow or stall growth that would not have, potentially, other harmful effects in the community.

Part of the conversation included the outward growth of the boundary of the valley, whether or not that made sense. That was one of the reasons that encouragement in density was discussed so much—its ramifications and how to take care of that. Looking out 20 to 25 years, the Task Force felt that there was a good potential that the population of the valley could double. The boundary may not expand much. We have the potential to have quite a few more people in the valley in basically the same footprint. We needed to work to

make sure that as that happened, all these issues that affect quality of life were kept up.

Assemblyman Mortenson:

It's true that the curtailment of growth may curtail quality of life in some areas, but certainly, the growth itself has been a good curtailment of quality in life. The water district admits that the biggest part of water conservation is that they have raised the price of water so high that people can hardly afford it. That is diminution of the quality of life when you price people out of something.

At one time, if they wanted it, people in new houses could have a front lawn of grass; if they wanted other landscape, then fine. Las Vegas is an oasis. I moved there because it was an oasis. I didn't want to move to the desert. I like the full front lawn of grass. They cut the front lawns in half. That was a diminution of the quality of life. Then they took them all away all together. I am worried that the back lawns may go someday, and then, they are going to start telling you how many showers you can take a day.

These things diminish the quality of life, and they have to be taken in mind also. As to that assertion that even though we are the fastest-growing city or area in the country, we are using less water, it reminds me of the anecdote about the wholesaler who said, "I sell widgets at a loss of \$2 on every widget, but I make it up on volume."

Chairman Perkins:

Further questions from the Committee? I have one further question. You had a number of strategies that were put forward by the Task Force. How difficult are these strategies going to be to attempt to implement when there isn't a lot of space left? There is a lot of existing building, residential or non-residential. If we are going to try and mold the valley into something as it builds out, how do we do that with so little land left to build on?

Richard Holmes:

You will see in that list of 21 top strategies, when we dealt with that urban design, urban pattern, urban form question, almost everything the Task Force moved up to their top consideration dealt with that very question—looking at the mixed use development, the urban villages, transit-oriented development and linkages to improve ways of moving around, infill projects, redevelopment areas. The affordable obtainable housing is geared around this land constraint and the price of land.

The issue you raised was foremost in the minds of the Task Force members as they looked at not only the broad issues, but also the top priorities within the

category of urban design. The question is, how are we going to get more people on less and less land? An interesting statistic about the Las Vegas Valley: the core areas today have somewhat lower density than the suburban and developing areas.

[Richard Holmes, continued.] Unlike any other city in the country, where you are used to seeing high densities downtown and the inner suburban fringe, then a gradual sprawl and lower density and efficient use of land as you move outward, the development pattern in the Las Vegas Valley has been somewhat reversed, where the linkages to existing roads, water lines, sewer lines, areas that have flood protection, and the price of land and housing markets have driven higher densities on the fringes than we are seeing in the core areas.

Steven Hill:

I would like to point out a couple of minor things that your constituents may talk to you about and you should be aware. The Task Force recommended that the drought ordinances that are currently in place could potentially be made permanent. We, as a group, felt that, even though the drought may subside, we will continue to live in a desert, and we will probably have a drought again someday. The community has responded very well to these drought ordinances, and that was the recommendation that we made.

Additionally, the Task Force recommended that a compromise be fashioned somehow to allow artificial turfing communities. That's been a topic of conversation in southern Nevada. We felt that was a recommendation we should make.

Also, there was quite a bit of emotional conversation on expanding the joint use of public facilities, predominantly schools and the land around schools. There was a clear expectation on the part of the Growth Task Force that, while there are obstacles to overcome—cost, liability—the Task Force strongly felt that we would like to see those obstacles overcome and not be obstacles that cause those joint uses not to happen.

Finally, I would like to point out that a website was developed for the Growth Task Force that has quite a bit of the information that was talked about today and quite a bit more. You can go to [<growthtaskforce.com>](http://growthtaskforce.com), and the website comes up. There are statistics, history, projects, economic indicators, social indicators, and environmental indicators that we feel are important. That is a significant contribution to the work we've made. We hope to see that website continued into the future.

Chairman Perkins:

Putting together this Committee was borne out of talking to many constituents and knocking on doors. Growth, far and away, became the most talked about issue in Clark County, particularly, in the course of the last 10 or 12 months. We appreciate your work and the information that you have brought to this Committee.

Jacob Snow, General Manager, Regional Transportation Commission of Southern Nevada (RTC), Las Vegas, Nevada:

A couple of months ago, I had the opportunity to come up and make a similar address to the Joint Committee of the Senate and Assembly Committees on Transportation. We have some members of that committee on the Assembly side here today. Therefore, I changed the presentation so you would not have to see the exact same thing today. Much of it does dovetail in with the presentation that you have seen from Rick Holmes and Steve Hill.

[Began PowerPoint presentation.] What you see on the screen before you in the green—this massive monster—is the 2002 daily traffic volumes. The wider the line is in green, the more traffic there is on that particular artery in a 24-hour period. You have the I-15 going through town here, US-95 here, and I-515 here. That is a significant amount of traffic congestion to experience on a regular basis. Because of that, we noticed that the Legislature, in the last session, changed the Nevada state mascot to the crushed orange traffic cone.

What we are now experiencing is some sticker shock at the gas pump, as we are paying an arm and leg just to put gasoline in the car. This is significant to talk about right now, as much as we talk about mass transit. With the emerging economies of China, India, Brazil, and other areas around the world, the demand for fossil fuels is going through the roof; however, the supply is fairly limited. Those who have taken economics classes know that that price is going to be high for quite some time. That is a significant long-term concern of ours on a number of different fronts.

The forecast for the future with not quite 3 million people in the valley by the year 2030 shows this being the case on our valley roadway systems, a much higher volume of traffic. We show more than 500,000 cars a day going through the Spaghetti Bowl downtown. Quite simply, we don't have the capacity of that facility to accommodate anywhere near that number. It is the same thing with our major freeways, whether it's I-15 or the Beltway, I-515. What you are seeing on that map is more than a one-hour commute in each direction. It is going to be a difficult time to do so on our roadway infrastructure.

[Jacob Snow, continued.] I wanted to show you this slide because one of the biggest parts of the problem for traffic congestion deals with the conventional way we have been developing, where you have a subdivision that has one way out of it. If you want to take your kid to soccer practice, even though you might live here, and the soccer field is just over the fence a few hundred feet, you have to go out to the traffic signal, wait for that to turn green, go on the arterial roadway, go this way, go into the soccer field area, drop your kids off, and go back. By the time you get home, it's time to come pick your kids up again and you make that trip again. You do it on the arterial roadway system; that is the conventional development pattern that we had developed over the past several decades in southern Nevada.

Contrast that with the more traditional neighborhood development pattern. Where you can see the numbers, those are access and egress points from the internal-circulator subdivision streets out onto the arterial streets. There are a number of them. There is much better connectivity. In this example, if you are going from your house to the soccer field, you don't have to make any of your journey if you're in a car on the arterial streets. With that kind of connectivity, with the short blocks, you can walk or ride a bike safely without much conflict from automobiles. A lot of the problem needs to be solved in the way that we develop. You heard some of the recommendations on how we should take a look at changing the way we develop from Mr. Holmes and Steve Hill.

This is typical of the problem with standard Euclidian zoning. Euclidian zoning is basically separating all of the land uses because there might be a conflict or incompatibility. The typical way we have handled commercial land uses is by putting them all in one long strip—along a roadway, commercial corridor—and we say, "No residential in there, because we have businesses." What happens with that is every few feet, you end up having a curb cut. People are trying to get into or out of that curb cut, and it slows down the traffic. Because you have these concentrated commercial land uses, you have traffic signals every few hundred feet. It is impossible to maintain good traffic flow with that type of a land use development scheme.

This roadway that you see is in Orlando, and it is a four-lane facility—two lanes each way—with no median. This is the same roadway in Orlando out with a different pattern of development. You can see the type of potential that you have based upon improving traffic flow and managing traffic congestion if you just deal with the land uses in those arterials differently.

The world is changing. The way we have been developing in southern Nevada, we can see one of two options. The first option that we have before you to consider is likely going to happen unless we do something different. There will

be 25 percent more traffic every ten years; more of our intersections failing; and more people spreading out into canyons, ridges, and other high-risk locations. We can expect more cars per household, limited new lanes, and more opportunities to build more freeways.

[Jacob Snow, continued.] We tried to build an east leg of the Beltway in southern Nevada a few years ago. We worked with NDOT [Nevada Department of Transportation] on a very comprehensive study. The results of that study indicated that we would have to buy a couple thousand homes and 150 or so businesses to put in an east leg of the Beltway. We went to the county commission and got a universal thumbs down. There was not the political will, nor the economic means, to continue to build urban freeways with that kind of impact.

Our opportunities for new high speed, lane-mile capacity would be very limited. The same thing with intersections being rebuilt: the opportunities would be limited. We would have more demand for slowing down traffic in neighborhoods and more demand for speeding up traffic in neighborhoods—conflicting demands. There will be more demand for safer streets and for quieter streets.

The other option we have is to return to traditional streets and traditional land uses; providing better connectivity; making walking, bicycling, and transit viable and safe; have people live closer to services and not spreading them out; having these mixed use villages that the County Growth Task Force talked about; and shorter trips, by time and distance. That type of development pattern would allow more funding for well-located firehouses, the actual operation of those firehouses, and the personnel to run them. We will have better ways to respond and fewer personal injuries from auto crashes as well.

This is a cover of *Time* magazine not too long ago, talking about the problems we have with obesity in the country. It is just not an epidemic; it is a problem with physical inactivity. Part of this problem is that we have not paid enough attention in the past to providing for adequate and safe bicycle and pedestrian infrastructure. Last year, working with NAIOP [National Association of Industrial and Office Parks], the Urban Institute, the Home Builders Association, and all the entities, we changed our development standards. We now have an option to provide wider sidewalks, a buffer between those sidewalks and the street, and dedicated bicycle lanes in the streets. In exchange for the developers giving us more land to accommodate the safer infrastructure, the streets were narrowed, so there was no net loss of land. It was an effective compromise to give us a much safer design standard to work from.

Assemblywoman Giunchigliani:

Where were you when I could have used this for my “smart growth” bill on transient-oriented development and all that is dealt with in here? I have some language for master planning, trying to make sure that they are looking at that even more in depth.

Jacob Snow:

I saw that bill about 3 or 4 weeks ago. It was heard yesterday?

Assemblywoman Giunchigliani:

It was supposed to be last week, but it was moved to Monday morning. It was A.B. 425. I am working on amendments and the transit ideas stayed in there so they could work with the RTC to better coordinate that.

Jacob Snow:

I thought it made sense. There was a lot of good parking language in there.

Assemblywoman Giunchigliani:

Actually, there are a couple of states that have done this because of the obesity issue, as far as trying to get people out of their cars. We were doing so many designs that the grocery stores were across the street, but you had to get into your car to get outside of the development to access it. That is part of the shift change for the new urban development that was talked about earlier.

Jacob Snow:

That is something that we want to promote, and that is something we need to have so we can avoid some of these problems.

This is an example in old town Key West, Florida. This is a lovely community that has very narrow streets, short blocks, tight corner radii, great plazas, beautiful buildings, and limited parking. That was designed and built by pirates. Looking at a different part of Key West, Florida—new town—here is a roadway that was designed that has drainage problems here and here. This is a bus turnout, but if you get off of the bus there, how are you going to get across the street? Look at this left turn arrow in the median. Where are you going to go? This was designed by college graduates.

This road is in Milwaukee—Division Avenue and Wealthy Street. It is not very attractive and designed by experts. Here is a road in Cambridge, Massachusetts, designed by other experts with better public input. The public is telling us they want to have a nice, wide sidewalk. They want to have a buffer between the movement areas of the street and where they can walk. If you want to go out

at night and walk with your spouse, you can't walk abreast on a five-foot sidewalk like we have in southern Nevada.

[Jacob Snow, continued.] This is one of the ideas we have to add high-speed lane miles where we can. This is a depiction of Fifth Street in North Las Vegas, where we are taking what we call a super arterial...

Chairman Perkins:

Can you give us some idea of the alignment of North Fifth Street?

Jacob Snow:

North Fifth Street runs from where Main Street and Las Vegas Boulevard converge in North Las Vegas, and it ends because it runs into Interstate 15. It picks up again north of I-15 and runs all the way out to the Bruce Woodbury Beltway in largely the same north-south alignment. What we show here is an intersection with Alexander Road, which runs east-west; North Fifth Street runs north-south. We take Alexander Road over North Fifth Street. This is now a grade-separated intersection—no traffic signal, no stop sign.

We are also looking at a 140-foot right-of-way for dedicated lanes for future transit expansion, whether that is the MAX [Metropolitan Area Express] bus system or electric light rail, which more likely would be in the median. Notice the sidewalk infrastructure, 20 feet on each side—meandering sidewalks. That is the type of design standard we're looking in the future for promoting safe bicycle-pedestrian-transit infrastructure, as well as moving automobiles faster.

We do have big challenges from an air quality standpoint, as has been noted by members of the Committee and the Growth Task Force. How do we add significant high-speed capacity to a regional transportation system? We don't have that many opportunities for adding more freeways. Most communities build fixed guideway transit. This is a picture of the Dallas-area rapid transit light rail system. An example of why we think we need to focus on transit comes looking at the non-scalability of roadway expansion.

In Denver, Colorado, you see 36 cars on here; the cars are stopped. That is how much space the cars take up on the road. If you take the cars away, what you would see is 36 drivers. If you take those 36 drivers and put them on a transit vehicle, this is how much space it takes up. We can continue to widen roadways. Once we get beyond five lanes each way, we have minimal benefit from continuing to expand. The reason is all the weaving and merging that has to take place in that space.

[Jacob Snow, continued.] If you have a 40-foot transit corridor, you have the option for scaling. I will demonstrate that with this slide. This data comes from the Nevada Department of Transportation. If you have one street—one lane on a regular street—you can accommodate 1,200 cars in an hour. If you are out on an interstate, you can accommodate close to 3,000 cars per hour per lane. For example, you get a 40-foot right-of-way and you put a bus on it, you have between 2,700 and 12,000 passengers per hour capacity. That depends on the frequency. If you want to add more capacity, you go to a higher capacity system, like light rail. You can accommodate up to 16,000 people in one hour in that 40-foot right-of-way. You can take it all the way up to commuter rail for 24,000 people, all the way up to nearly 50,000 people per hour with a heavy rail system, like the Washington, D.C. Metro system or the BART [Bay Area Rapid Transit] system, just in 40-feet of right-of-way. As demand grows, you can change the technology. That is the problem we have to deal with. How do we deal with significant amounts of capacity to get people where they want to go? We are not going to have the right-of-way to do it all in automobiles.

This is just a slide that shows where transit is used, less driving is necessary. These are the percentage of work-trips by transit, 30 percent. This is close to the Washington, D.C. or San Francisco average. The average annual miles driven per capita there is below 5,000. This is just to show you what happens when you can increase transit. What makes transit attractive? It is not necessarily the mode, whether rail or rubber tires. It is more on how we deploy those modes that makes transit attractive or not. We need to get smart on how we deploy service, not whether it's a bus or rail.

In southern Nevada, we have a new program; it is our MAX system. This is the MAX vehicle. Our drivers have a unique and special uniform for this premium service. We are purchasing 50 double-decker buses. These will operate on the Strip and on Flamingo Road. A lot of people will be clamoring to get up here for the great view that they will have. We think this is going to open up a lot of potential for this type of service on several routes in southern Nevada.

Here is an example of a very attractive light rail system. This is the system in Houston, and it has been very successful. Cambridge Systematics did \$250,000 in market research and asked the question, "Will you use transit?" One-sixth of the people said, "No way; we're never going to use it because our time is just too important to us." One-sixth of the people said, "We prefer transit because we want to read the newspaper, take a nap, et cetera." Two-thirds of them said, "We would use transit, but only if and when it meets our needs, and we have 3 primary needs to use transit. We have to get from where we are to where we're going and make it fast." It has to be time competitive with the automobile, or they will not use it. The third reason is more of a liminal

topic: "We want to feel good about the experience. We want it to be a dignified experience. We want to have some control over it." They want to be able to go up to the station and see the sign that says that the next vehicle is going to be here in 3 minutes. It has to be easy to understand how to use.

[Jacob Snow, continued.] There is a difference in what we value. If we continue to have a public transportation system that is like a Yugo, not a whole lot of people are going to value it. If we have a fast, convenient, dignified, and well-connected transit system, we have an entirely new planning model that will add value to property and allow us to have sustainable development.

I want to talk about affordable housing in the context of mass transit and expanded mass transit. There is a tool that other cities around the country have benefited from to provide their communities with affordable housing. It is called a location-efficient mortgage. This is in Portland, Oregon, where they have their streetcar line. I am familiar with this community. You can see the mixed-use residential development with the commercial on the bottom and the residential on the top. This used to be called the brewery district or warehouse district. Now it is called the "Pearl District." It is one of the nicest communities in the United States.

One of the ways you can afford one of the lofts is because you live so close to good, high-quality transit. You can walk to destinations in your neighborhood. If you need to go out of the neighborhood, you have good, high-quality transit. Therefore, you don't need a car. Since you don't need a car, you qualify for a much higher mortgage than you would otherwise. Just as all types of housing are attracted to and need good roadway service, all price points for housing and all types of housing are attracted to good transit service. With this concept, working with Fannie Mae [Federal National Mortgage Association] and banks for these location-efficient mortgages, we have a great tool. If we connect them to a good rapid transit service, people can qualify for a much higher mortgage because they would not need two cars or any cars. That is a tool we would like to take advantage of as we pursue our rapid transit initiative.

This is the corridor that Rick Holmes referenced going through the middle of Henderson. This is Green Valley. This is the railroad corridor here that goes through the middle of it. That is a good thing from a residential access standpoint. It is also a concern from the close access to those communities and those homes that have their backyards right up to the corridor. We are focusing our attention on this corridor. It is the best opportunity we have to take advantage of some underutilized transportation right-of-way. This is the entire corridor that we were just looking at, right through here in Henderson. We start at the Nevada State College, go through downtown Henderson, stop by the

airport, then into Frank Sinatra Drive, an industrial road, the mainline of the Union Pacific railroad, and then we go out to the future UNLV [University of Nevada, Las Vegas] campus. That is a 33-mile corridor.

[Jacob Snow, continued.] We can't just have one serpent go through town and expect to accommodate the needs of the community. We have to have an octopus. That is why we have these other corridors. Those are the corridors where we are focusing on, where we have available rights-of-way and where we can put in a higher-quality rapid transit service, whether on rubber tires in its own dedicated lane like the Metropolitan Area Express or in the rail corridor, where we can put some high-speed transit. It does not make sense for us to try and compete with every trip that the automobile can make. We'd go broke doing that and we'd be unsuccessful, but in the corridors, where we can compete with the automobile for a transit trip time, those are the corridors where we are going to focus. That is why we have selected these corridors that you see on the screen. They are representative of all the quadrants in the valley.

This slide shows the resources that the Legislature has seen fit to allow us to utilize for transportation investments. We view it as a very important stewardship. It is not just another roadway project or transit project. It is a chance to build the community. We view our transportation projects in benefiting. We try to design them and work with the entities so we can nurture a sense of community. We can improve safety and security. We can renew downtowns and neighborhoods. We can enhance access, not just for people who can afford an automobile or drive, but access for everyone. We are not looking to stop growth. We are looking to shape it so we can continue to grow in a sustainable and responsible fashion.

Chairman Perkins:

Thank you, Mr. Snow, for your presentation. They are always very educational and somewhat entertaining. You mentioned to me the number of cars that are added to the roadways in the Clark County area every day. Can you remind us of what that number is?

Jacob Snow:

For the past two decades, we have been growing, on average, 100 automobiles per day added to the roadway network. We just can't keep up with that.

Chairman Perkins:

That is an astounding number. In your discussions in the Henderson area about the light rail, what was your sense of the acceptance and interest in that?

Jacob Snow:

We have had a number of public hearings out in the Henderson area. We have had some in Clark County and North Las Vegas. We are just getting geared up for the second round of public hearings on May 7, May 11, and May 21. In Henderson, we have had a surprising number of people show up and be very supportive. We have had some people be concerned about property value impacts and noise.

The hearing in Clark County is where we had the majority of the concern expressed by people who were in the unincorporated county. That is the Warm Springs area, east of Eastern Avenue. When we were in North Las Vegas, we had almost universally positive response from the community. We have a plan that can deal with all of these concerns. We are not going into this project with the idea that we are going to do it and force it on the community.

We have a community Task Force appointed by our board. Most of them are people who live along the route, have property, and are major stakeholders in the project. It is represented by labor interests, gaming interests, all the chambers of commerce, and a number of homeowner associations. We are about halfway through that process. Ultimately, that group will recommend to our commission what technology we pursue, whether it is a rubber-tired system like the MAX or a light rail or a diesel light rail. Those are the three technologies that are under consideration.

We mainly want them to focus on the route we talked about, the 33-mile route on the map. Is that going to be a route we can, with appropriate mitigation, enjoy community support for? Before we expend a lot of additional money into the required studies that will have to go forward for the environmental work, we are working with the federal government to get half the cost paid for by them.

Chairman Perkins:

It is fair to say that Nevadans are in love with their cars. Do you have any strategies to create interest in transit?

Jacob Snow:

That's a good statement. I like to drive in my car. I like the convenience and flexibility it provides me. I don't like to pay \$3 a gallon for gas. I don't like to get stuck in traffic and stop at the red lights.

The reality is, when you look at cities like Salt Lake City that just a few years ago opened a light rail transit system, they were the last demographic I thought that would get out of their cars and take transit. Since they opened that first system, which utilizes the majority of the right-of-way along an underutilized

railroad corridor, people have flocked to that system in droves. They are not taking the bus to get to light rail. They are driving their cars to park-and-ride lots and getting on the light rail so they can have a fast, rapid transit into the downtown, then get on another light rail and go to the university or the airport.

[Jacob Snow, continued.] If you provide a system that is well connected to destinations where people want to go, do it as fast, or faster, than the car would do it, and in a dignified manner, as you will see in Salt Lake City, Dallas, Denver, Portland, Sacramento, San Jose, Los Angeles, San Francisco, and St. Louis, and this list goes on. People will use it if we provide the right type of product. The system in Minneapolis, the light rail system that just opened, half of the ridership comes from people who have gotten out of their cars to take it.

I should point out that our MAX system, along North Las Vegas Boulevard, is not in a very densely developed corridor. We were able to put it in that corridor because we were able to get the right-of-way there. Since we started, ridership is up 40 percent in that corridor. Many of the riders are people who used to take a car to and from work. The response to that system is, "When are you going to give us more of this throughout the system?" Obviously, we can't do that. We have targeted Boulder Highway, Rancho, Sahara, and Blue Diamond for the future as we expand with that type of system. It doesn't cost that much more than the regular bus does to operate. We have uniform armed security officers who regularly patrol those; they are checking for fares. It is a much faster and safer system. We have had a 98 percent satisfaction rate on that type of system.

We are going to have problems with traffic, regardless of what we do. We have problems now. People will take transit because they are trying to evade congestion. If we provide the right quality product, we are going to attract people out of those cars.

Assemblywoman Giunchigliani:

I absolutely agree. I grew up in Chicago, and we used the L (elevated train system) or walked. I had a conversation with NDOT. They are planning on a California style of carpool lanes. Is that anything that they worked with you at all?

Jacob Snow:

Yes. We are working in close cooperation with the Nevada Department of Transportation, specifically in the US-95 corridors. Right now we are on hold with that project because we are waiting for the courts to decide. That freeway widening project was to take 3 lanes each way and widen that to 5 lanes each way; one of those lanes was going to be what we call a high-occupancy vehicle

lane. In the future, we are planning to put express buses in that corridor, and they would operate in the high-occupancy vehicle lane.

Assemblywoman Giunchigliani:

A light rail could have run down that with the widening, in the middle of it. I don't know, parking-wise, where you would have had your satellite parking. If you are going to get them out of their cars, you have to have a place they can drive to that doesn't add to the impact.

Assemblywoman Pierce:

This is more of a comment. One of the things we battle all of the time in southern Nevada is that there is a steady drumbeat of misinformation from the local media about mass transit. It is important to remember that one of the things we hear all the time is that cars subsidize mass transit. The fact is that gasoline taxes only pay for 60 percent of road building, and everyone else pays. People who ride buses and never get in cars subsidize those of us that ride in cars. All kinds of transportation is subsidized by somebody; it is not just mass transit.

I read recently that Americans chose cars. The fact is, about 75 or 100 years ago, the car companies and petroleum interests bought up about 100 mass transit systems in the country for the sole purpose of shutting them down. The Americans then would only have a choice of cars. It is important to remember that Americans didn't choose cars; they had that choice made for them.

I am very excited about these plans. I came out to the presentation that was done in Henderson. I wish the timeline was shorter. I know that the timeline on this is pretty long. I just wish we could get this going faster. That would be terrific, but excited that it is finally going to happen.

Assemblywoman Weber:

Would you comment on the possible link between Las Vegas and southern California? That whole project involves a lot of cars and congestion moving through I-15. Since there is mass transit, through trains and the Metrolink in southern California, that is a source of congestion in our community—every Friday night, every Sunday afternoon.

Jacob Snow:

I would like to comment on that. The high gas prices are a real concern for us, especially for all the people that come up to southern Nevada from southern California. Regardless, we do not have the capacity on I-15 to handle it. We need to have some sort of rapid transit system to connect the two major urban regions.

[Jacob Snow, continued.] The RTC has supported in the past the maglev project in terms of some funding to get to the point where they are at now. There is \$1 billion up for grabs at the federal level to build that type of project. The only problem is, to go all the way from Las Vegas to southern California, you are looking at probably \$17 to \$20 billion in costs.

A way to prove the market, and a less expensive option, is to build traditional high-speed rail. It is less expensive and much more viable. There isn't that carrot out there of a billion dollars that's up for grabs to do that. Traditional high-speed rail would go about 220 miles per hour, while the maglev would go even faster, at 320 miles per hour. The problem is that all the cities in California want a stop for that maglev system. There would have to be a number of starts and stops. That diminishes that speed advantage with all of those stops on the route.

At this time, both projects are worthy of support, and the traditional high-speed rail is the way to go. We did, through Governor Guinn a few years ago, apply to the Federal Railroad Administration to preserve that corridor as one of the few remaining corridors that we could consider putting high-speed rail in the country.

Assemblywoman Weber:

While in graduate school, I did some study on mass transit. If you move from east to west, the congestion in the country is greater in the East, since people live closer together in the East than in the West. How are we going to define success? We can design all those systems, but it's getting people to use them. I bring it up because I studied the ridership on Metrolink in southern California. On a daily basis, there is about 50,000 for ridership out of 10 million people. So, how do we define or decide what success looks like? Hopefully, it's by way of air quality, less congestion. I don't know if southern California can claim that.

Jacob Snow:

One of the things the Growth Task Force asked us to do was to come up with performance indicators to indicate success. It would be reduction in vehicular miles traveled. This slide shows an example of success, where you see the ratio of vehicle miles driven per capita go down with the higher percentage of work trips you can capture on transit. That would be one of the performance measures we would use—the percentage of work trips captured by transit. And these are not just work trips, but also recreational trips.

What we see in the newer transit systems that are being built is that the work trip is not the majority of the trips any longer. These are entertainment trips. In Portland, people take the transit to the zoo, the Saturday market, the baseball

stadiums, or Washington Park just to take a walk. Those types of indicators would allow us to measure success.

[Jacob Snow, continued.] The amount of emissions removed from the air by people getting out of their automobiles to take transit is easily quantifiable. For us to maintain our air quality status so we can continue to receive billions of dollars in federal transportation funding, we have to have plans like those I've shown you today and put those in our regional transportation plan, or we can't demonstrate air quality conformity. We must have all these things in there just so we can keep the money flowing. If not, we can't meet the air quality standards.

Chairman Perkins:

We will turn the Committee's attention to A.B. 433 and invite Mr. Hardy to present. We will open the hearing on A.B. 433.

Assembly Bill 433: Provides for statewide property tax credit for owners and renters. (BDR S-1018)

Assemblyman Joe Hardy, Assembly District No. 20, Clark County:

Assemblywoman Heidi Gansert will be joining me at the table. If you look at the amendment ([Exhibit D](#)) that is being distributed, I refer you to the bill itself and recognize that we will take the majority of the bill away to make it quick and clean.

We have a state surplus. We assess a 17 cent property tax, 16 cents of which will bring in \$111.5 million in the 2004-2005 fiscal year. The reason I say "16 cents of which" is because 1 cent of that is voter-initiative approved, and you can't play with that. We will use the state property tax portion to pay off the bond debt for the next 2 years. The proposal is to pre-fund the bond debt redemption fund with surplus dollars through an escrow/trust account. Thus, a virtual discount will be given to property owners of approximately 4 percent off of their property tax.

With the proposed amendment ([Exhibit D](#)), the administration is simple and efficient. The net property tax that a person would pay would be, in essence, less than they paid last year. This is uniform and equal, easy to calculate, does not adversely affect local governments, and returns money to the people who paid it, nor does it adversely affect the State budget.

[Assemblyman Hardy, continued.] This will save taxpayers at least \$200 million. From a logistical standpoint, this needs to go through this Committee to the Ways and Means Committee to be exempt and be ready for the end of the session. My technical advisor, Assemblywoman Gansert, will answer any and all questions when the Chair is ready to have her speak.

Chairman Perkins:

Thank you, Mr. Hardy, for your presentation. Did you want to add anything, Heidi, before we go to questions?

Assemblywoman Heidi Gansert, Assembly District No. 25, Washoe County:

We have been looking into the technicalities of trying to do this. I have been working with the Treasurer's Office and a bond advisor to try to figure out how we could do this. I believe it is possible to do this. We may have to tweak exactly how we get the counties to accomplish this.

Chairman Perkins:

I am not sure how. The amendment that you just passed out appears just to strike Section 1(b), subsection 3, subsection 4, and subsection 6. Is there any additional language?

Assemblyman Hardy:

There is no additional language as much as, at the bottom, you have the intent. The intent is what I went over. There is no additional language, unless the Committee figures out how to put something in that works even better. Assemblywoman Gansert is good at explaining how the money would flow and how a person would actually save money. There are creative ways to do this without touching the bond debt redemption fund. If we avoid touching the bond debt redemption fund, then people would feel more comfortable.

In talking with bond people, we cannot put in advance more than 13 months of the bond redemption money into an account because of federal law. We would have to create an escrow account or trust account, which would be hands-off to legislators, that would, in essence, fund the bond redemption account as it goes. Assemblywoman Gansert could also give you another way to look at this. The essence is to take surplus money and return it to the people who own property, so there is a nexus between property owners who have paid money and the money that will go back to the property owner, or not come to the State.

Chairman Perkins:

In the section that is left on page 2 of the bill, subsection 5 of Section 1, it talks about the county treasurer reducing the amount remitted to the State Controller

for that bond redemption, but it doesn't have a place where the money is pre-loaded into the bond debt redemption fund. It would have to have some mechanism that does that. Is that your reading of the bill?

Assemblyman Hardy:

That is correct. I wasn't smart enough to figure that out.

Assemblywoman Giunchigliani:

Do we know the fiscal impact?

Assemblyman Hardy:

Basically, the State uses about \$108 million per year to pay our bonds with. Most of those are in highway, major infrastructure things. There is no fiscal impact inasmuch as we are using surplus dollars to pay property tax. You are actually using surplus money to supplant other monies that you are going to be taking in. Does that make any sense? There is no fiscal impact if you don't count over \$100 million a year.

Assemblywoman Giunchigliani:

There is a fiscal impact if the surplus doesn't come in.

Assemblyman Hardy:

In the words of the fiscal people, I have \$300 million in the bank.

Assemblywoman Giunchigliani:

I don't believe it until I see it. I don't tend to count it till it comes in. Everybody has spent it about 10 times over already. This would use surplus money to send money back to people that would have been paying off bonds—highway, the university, and so forth. Is that kind of how it's going?

Assemblyman Hardy:

We are going in two different directions. The person who owns property—the legislative definition of "person"—would end up paying less property tax by about 4 percent. That is about what 16 cents is out of the whole assessed property tax bill they get. They will be paying 4 percent less than they would last year or their assessment this year. Then you put on the 3 percent cap, and you could conceivably be paying less property tax than you did last year.

To get to the other part of your question: where does the bond money go? The bond money is still available because we have the bond debt redemption fund that we are funding with that surplus.

Chairman Perkins:

Let me take a stab at this. It appears to me that instead of doing a DMV [Nevada Department of Motor Vehicles] refund, you are using the same money to give somebody a lower property tax bill and using that surplus money to cover the bond debt redemption fund that the tax money would have otherwise covered. Is that correct? [Assemblyman Hardy responded in the affirmative.]

Assemblywoman Kirkpatrick:

If this is a one-time refund, it doesn't address that in the bill. I would not want to count my chickens before they hatch. In Section 2, it would address where it would sunset.

Chairman Perkins:

It is in Section 1 where it refers specifically to fiscal years 2005-2006 and 2006-2007 and taking the \$118 million and dividing it by the sum of the number of parcels, et cetera. It will only happen for those two years, based upon the wording in the bill.

Assemblywoman Gansert:

Can I expand on what I think some of the problems may be, just to let you know, that I discussed with the Treasurer's Office? In talking with them, it appears for the bonds there has to be a direct relation between the property tax, using the property as collateral, and the bonds. If there is a problem with the State not collecting the property tax, given that the collateral is the property itself, it has to do with our bond capacity.

Another route or direction we could take is to fund the counties part of their property tax that is not related to any of their debt. We were basically looking for ways to make up the 16 cents in non-bond related income, have them collect the money on behalf of the State, and not collect other dollars that are not related to bonds. Again, it could affect bond capacity. If there is a way to substitute dollars for non-bond related dollars, that is a way to work out the problem that the Treasurer's Office may bring up.

Chairman Perkins:

Is that like the "can of beans" story we heard last session? Further questions from the Committee? Thank you. The Treasurer's Office is going to dash your plans here, Mr. Hardy.

**Robin Reedy, Deputy Treasurer, Debt Management, State Treasurer's Office,
State of Nevada:**

We commend our Assembly people for thinking out of the box. We hate to be anyone to say that it's a bad idea to give the taxpayer more money. We are all

for that, but while a lot of the things have been discussed, a lot of this still applies.

[Robin Reedy, continued.] We run our affordability reports and we discuss with the rating agencies the process by which we judge how much we can bond in the future and whether we can afford the debt we have outstanding. We base that out 10 years, and we look back 10 years. We would have to rerun everything we had rerun all through your property tax analysis for the bills that have already gone to the Governor. This would change those things.

There are ways. We will continue our discussion with Assemblywoman Gansert and Assemblyman Hardy on those ways to try to think of a way. The best way is to disconnect it from the property tax. The first question we will get from the rating agencies is, "What is going to happen in two years?" They have been able to follow this revenue stream and how we base our capacity of affordability reports every biennium. The uncertainty involved in this will probably incapacitate our current ratings.

Chairman Perkins:

Playing devil's advocate, are we not just using a substitute dollar for the dollar that would have come in already and not changing the formula, the flow, or the capacity for that matter?

Robin Reedy:

Again, the first question that the rating agencies will say is, "If the Legislature can wipe out the monies that you have told our bond holders is what you use to pay that debt this time, what tells us they won't do it another time?"

Assemblyman Grady:

Wouldn't it look a lot better to the bonding people if you said, "We already have X number of dollars in the bank. You keep on figuring what you have done in the past and what you are going to do 10 years in the future, but for 2005 and 2006, we already have the money in the bank for you."

Robin Reedy:

Indeed, they would view that as a positive in the very short term in their world. But the fact would remain that you could wipe it out in the next biennium, and you only have two years in the bank. We issue 20- and 30-year bonds. If you want to escrow all our debt, they would give us an AAA rating like that, and I would be here with good news.

Chairman Perkins:

Further questions from the Committee? We don't see any. Is there anybody else you want to testify on your bill, Mr. Hardy? Anybody in the audience wishing to testify either for or against A.B. 433? Seeing none, we will close the hearing on A.B. 433. I have two bills that we can work session fairly simply. We will ask Susan [Scholley] if she'll pass the information so we won't have much to do the day before our deadline.

The first one is A.B. 301, which is the bill Mr. Sibley brought to us a few days ago. I'll ask Susan to go through the document ([Exhibit E](#)) before us.

Assembly Bill 301: Increasing value of veterans' exemptions from personal property tax and governmental services tax. (BDR 32-1002)

Susan Scholley, Committee Policy Analyst:

Assembly Bill 301, which increases the value of veterans' exemptions from personal property tax and governmental services tax, was sponsored by Assemblymen Sibley, Hardy, and Christensen, and it was heard in this Committee on March 31. Essentially, A.B. 301 increases the veterans' exemption from the governmental services and property taxes, which is currently set at \$2,000.

There was some concern at the hearing that the bill, as drafted, did not implement the requestors' intent, which was to raise the exemption from \$2,000 to \$5,000. Amendments were submitted as part of the hearing and testimony in support of the bill came from Chuck Fulkerson, Office of Veterans' Services, and the Clark County and Carson City Assessor's Offices. The Department of Motor Vehicles noted that the bill would have a fiscal impact, but they would reevaluate those with the amendments. There was no testimony in direct opposition to the bill.

A mockup of the proposed amendments, going back to the requestors' original intent, is attached ([Exhibit E](#)). In two chapters, *Nevada Revised Statutes* (NRS) 361 and 371, for the veterans' exemptions, the property exemption goes from \$2,000 to \$5,000 on pages 1 and 2. On page 3, there is an updating of CPI [Consumer Price Index] adjustment that was done by Legal in response to some comments from Dave Dawley, Carson City Assessor.

On page 5, the amendment is simply to track the language that was in the original bill that was meant to be retained. That is just a clean up. On page 6, you again see the CPI correction and the \$2,000 going to \$5,000. On page 7,

the change is from \$2,000 to \$5,000. On the bottom of page 9, the exemption language and the CPI language on page 8 are changed.

Chairman Perkins:

Are there any questions from the Committee on the Work Session Document ([Exhibit E](#))? Mr. Dawley, you've seen these and are relatively okay with them?

Dave Dawley, City Assessor, City of Carson City, Nevada:

This is the first time I have seen this. On page 5, subsection 7 says, "If a tax exemption is allowed under this section, the claimant is not entitled to an exemption under NRS 361.090." The question I have is that when I talked with Dr. Hardy, we were going to increase the amount of the exemption for the property taxes as well as the governmental services portion. That brings into question item 7.

Chairman Perkins:

Is item 7 current language in law? It doesn't appear to be a part of the amendment.

Dave Dawley:

I don't believe it is part of the law right now. That is what is catching my attention.

Chairman Perkins:

We are looking at page 5, subsection 7: "If a tax exemption is allowed under this section, the claimant is not entitled to an exemption under NRS 361.090."

Susan Scholley:

This language in the black type is existing language. It is my understanding that it's an either/or situation. You can split your exemption, but you don't get both.

Dave Dawley:

Correct, but there are certain counties, like Clark County, where you can get both, so long as the assessed value does not increase over \$2,000.

Susan Scholley:

At this point, I would simply state that this is existing language. They are not changing any from the way it is currently done other than the \$2,000 to \$5,000 and the CPI adjustment.

Chairman Perkins:

It is my suggestion that we accept this language and have Susan check with Legal. If there is some glitch between now and the Floor, we'll have the amendment adjusted.

Assemblyman Anderson:

I am trying to understand the addition to "... the exemption is claimed in no other county in this state." Is this new language? Does this preclude somebody who wants to move their exemption? If the spouse dies and they move to another county, they can't make their claim; even if it is before the cutoff date, they can't make it in the second county?

Chairman Perkins:

It is my understanding that once you used your exemption in that calendar year, you have basically used your exemption. You won't be able to do it again until the next year, if you have already moved. Is that an accurate statement, Mr. Dawley?

Dave Dawley:

Mr. Chairman, that is correct. We apply the exemption as of July 1. If they sell the property any time within that fiscal year, it will be kept on the property until the new fiscal year starts. We transfer the roll once, then we are not able to correct that.

Assemblyman Giunchigliani:

Regardless of what we do, this will have to go to Ways and Means as far as the loss of the fiscal impact that is possibly coming to be contained in here. Is that not correct?

Chairman Perkins:

It would be my understanding that there is going to be an additional amount of money that won't be collected. It may not be significant, but it still falls under the view of the Ways and Means Committee. If there are additional corrections needed, we can certainly make them there.

Any other questions? What is the pleasure of the Committee? We have an amendment and do pass by Mr. Hettrick and seconded by Mr. Mortenson. Any comments or questions on the motion?

ASSEMBLYMAN HETTRICK MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 301 WITH THE PROPOSED AMENDMENTS
CONTAINED IN THE WORK SESSION DOCUMENT.

Assemblyman Parks:

I need to disclose that I am a veteran. I use the veteran's exemption, and I intend to continue to use it. This does not affect me any differently than anybody else.

Chairman Perkins:

Any other comments or questions?

ASSEMBLYMAN MORTENSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Chairman Perkins:

Let's now look at A.B. 393. It is a bill that Mr. Hettrick brought to us a few days ago and I ask Susan to go through the Work Session Document ([Exhibit F](#)).

Assembly Bill 393: Provides for sale of tax liens against parcels of real property. (BDR 32-196)

Susan Scholley, Committee Policy Analyst:

Assembly Bill 393 provides for the sale of tax liens against parcels of real property. It is sponsored by Assemblyman Hettrick and was heard in this Committee on April 7. Assembly Bill 393 authorizes a county to sell a tax lien subject to certain limitations. Testimony in support of the bill was received from John Yacenda, a lobbyist representing Capital City Investments. The sponsor emphasized that the language was enabling and that county treasurers were not required to sell tax liens, but the bill gave them the option to do so and, in his opinion, generate revenue for the county. There was no testimony in opposition to the bill.

A mockup of the amendments ([Exhibit F](#)) proposed by Assemblyman Hettrick is attached. As mentioned in the hearing, a similar bill was introduced in the 2003 Session. It did pass through Assembly Taxation but died in Assembly Ways and Means. There is no identified fiscal impact on this bill at the state or local level at this time.

I may not be the best person to go through this. I would prefer to defer to Mr. Hettrick on that.

Chairman Perkins:

The main concern that was raised at the hearing was the ability for those who might purchase a tax lien to have a more onerous practice than the county would in the enforcement of that lien.

Assemblyman Hettrick:

That is correct. It was pointed out to me by Al Kramer of Carson City after the hearing. If you look at page 6, Section 15, when it included the language on line 14 of "...361.5648 to 361.645..." in those sections of law, there was an accelerated auction or sales procedure the counties can use.

We went in and had Mr. [Scott] Wasserman amend the bill to include "...to 361.620 ..." This eliminated the accelerated provisions. It means that no tax lien could be sold in less than the 3 years typically used by the treasurer. Then, at lines 16 and 17, we didn't need the reference to those sections of law at all. We just eliminated them. Other than that, this is identical to the bill as I testified to in Committee on April 7.

Assemblyman Parks:

Looking at the mockup, I believe that we exempted single-family residences from this process. Could I get clarification on that?

Assemblyman Hettrick:

The bill as it was drafted, on the first page of the mockup ([Exhibit F](#)), had Sections 3 and 4 in it, which defined a parcel of real property and defined a single-family residence. Later in the bill, it went on to say that you could sell a tax lien on a parcel of real property. The problem with that is that over 60 percent of all the parcels in the state of Nevada are single-family residences. Since this can be done by option and strict enabling, it seems that to eliminate 60 percent of all the possible lien sales would not generate the revenue, if they chose to generate revenue from this source. We took that out and made it so you could sell any delinquent tax lien or bill.

Chairman Perkins:

I just want to reaffirm that this is enabling language and the counties do not have to participate if they don't want to.

Assemblyman Hettrick:

Mr. Speaker, not only is it enabling in whether or not they do at all, but also it is enabling in that it allows them to pick and choose the liens individually. They can say no to a lien for a senior citizen that is delinquent just because they know it is a senior citizen and that they might want to wave penalties and costs. They can say yes to a major business if it is delinquent. They can go

down the list and pick and choose between these liens in any fashion they desire.

Chairman Perkins:

Other questions from the Committee?

ASSEMBLYMAN GRADY MOVED TO AMEND AND DO PASS
ASSEMBLY BILL 393 WITH THE PROPOSED AMENDMENTS
CONTAINED IN THE WORK SESSION DOCUMENT.

ASSEMBLYWOMAN WEBER SECONDED THE MOTION.

THE MOTION CARRIED, WITH ASSEMBLYMAN ANDERSON,
ASSEMBLYWOMAN GIUNCHIGLIANI,
ASSEMBLYMAN MORTENSON, AND ASSEMBLYMAN PARKS
VOTING NO.

Chairman Perkins:

Anything else to come before the Committee? Seeing nothing, we are adjourned
[at 4:16 p.m.].

RESPECTFULLY SUBMITTED:

James S. Cassimus
Committee Attaché

APPROVED BY:

Assemblyman Richard Perkins, Chairman

DATE: _____

EXHIBITS

Committee Name: Committee on Growth and Infrastructure

Date: April 12, 2005

Time of Meeting: 1:46 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B	Steven Hill and Richard Holmes / Clark County Growth Task Force	Clark County Community Growth Task Report
	C	Steven Hill and Richard Holmes / Clark County Growth Task Force	Clark County Community Growth Task PowerPoint Presentation.
A.B. 433	D	Assemblyman Joe Hardy / Assembly District No. 20	Amendment to A.B. 433
A.B. 301	E	Susan Scholley / Research Analyst	Work Session Document on A.B. 301
A.B. 393	F	Susan Scholley / Research Analyst	Work Session Document on A.B. 393