

ASSEMBLY BILL NO. 439—ASSEMBLYMEN
CONKLIN AND KIRKPATRICK

MARCH 19, 2007

Referred to Committee on Government Affairs

SUMMARY—Makes various changes relating to developing and maintaining affordable housing. (BDR 22-1302)

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

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

AN ACT relating to affordable housing; requiring certain cities and counties to adopt certain measures to implement a housing plan that is included in a master plan and to report their progress in maintaining and developing affordable housing; amending the definition of “affordable housing”; making various changes to the requirements for a master plan relating to affordable housing; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law requires the adoption of a master plan in a county whose population is 400,000 or more (currently Clark County) and requires that the master plan include a housing plan. If a master plan is adopted in a county whose population is 100,000 or more but less than 400,000 (currently Washoe County), the master plan is required to include a housing plan. Under existing law, such a housing plan is required to include a plan for maintaining and developing affordable housing to meet the housing needs of the community. (NRS 278.150, 278.160)

Section 1.3 of this bill requires the governing body of a city or county that is required to include a housing plan in its master plan, in implementing a plan for maintaining and developing affordable housing to meet the housing needs of the community, to adopt at least 6 of 12 specified measures relating to the maintenance and development of affordable housing in the jurisdiction. **Section 1.3** also requires such cities and counties to report annually to the Housing Division of the Department of Business and Industry concerning how such measures assisted the city or county in maintaining and developing affordable housing. The Housing Division is required to submit a compilation of the reports to the Legislature, or to the Legislative Commission if the Legislature is not in session.



For purposes of the provisions governing land use planning that address affordable housing, existing law defines "affordable housing" to mean housing that is affordable for a family with a total gross income less than 110 percent of the median gross income for the county concerned, based upon estimates by the United States Department of Housing and Urban Development of the most current median gross family income for the county. (NRS 278.0105) **Section 2** of this bill decreases the total gross income of a family that is used for determining whether housing is affordable in the definition of "affordable housing" from a total gross income that is less than 110 percent of the median gross income for the relevant county to a total gross income that does not exceed 80 percent of that median gross income, which thereby limits the scope of the provisions governing land use planning that address affordable housing.

Existing law sets forth the subject matters of a master plan. (NRS 278.160) **Section 3** of this bill revises the contents of the housing plan portion of a master plan.

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

Section 1. Chapter 278 of NRS is hereby amended by adding thereto the provisions set forth as sections 1.3 and 1.7 of this act.

Sec. 1.3. 1. *If the governing body of a city or county is required to include a housing plan in its master plan pursuant to NRS 278.150, the governing body, in carrying out the plan for maintaining and developing affordable housing to meet the housing needs of the community, which is required to be included in the housing plan pursuant to subparagraph (8) of paragraph (e) of subsection 1 of NRS 278.160, shall adopt at least six of the following measures:*

(a) At the expense of the city or county, as applicable, subsidizing in whole or in part impact fees and fees for the issuance of building permits collected pursuant to NRS 278.580.

(b) Selling land owned by the city or county, as applicable, to developers exclusively for the development of affordable housing at not more than 10 percent of the appraised value of the land, and requiring that any such savings, subsidy or reduction in price be passed on to the purchaser of housing in such a development. Nothing in this paragraph authorizes a city or county to obtain land pursuant to the power of eminent domain for the purposes set forth in this paragraph.

(c) Donating land owned by the city or county to a nonprofit organization to be used for affordable housing.

(d) Leasing land by the city or county to be used for affordable housing.

(e) Requesting to purchase land owned by the Federal Government at a discounted price for the creation of affordable housing pursuant to the provisions of section 7(b) of the



* A B 4 3 9 R 3 *

1 *Southern Nevada Public Land Management Act of 1998, Public*
2 *Law 105-263.*

3 *(f) Establishing a trust fund for affordable housing that must*
4 *be used for the acquisition, construction or rehabilitation of*
5 *affordable housing.*

6 *(g) Establishing a process that expedites the approval of plans*
7 *and specifications relating to maintaining and developing*
8 *affordable housing.*

9 *(h) Providing money, support or density bonuses for*
10 *affordable housing developments that are financed, wholly or in*
11 *part, with low-income housing tax credits, private activity bonds or*
12 *money from a governmental entity for affordable housing,*
13 *including, without limitation, money received pursuant to 12*
14 *U.S.C § 1701q and 42 U.S.C. § 8013.*

15 *(i) Providing financial incentives or density bonuses to*
16 *promote appropriate transit-oriented housing developments that*
17 *would include an affordable housing component.*

18 *(j) Offering density bonuses or other incentives to encourage*
19 *the development of affordable housing.*

20 *(k) Providing direct financial assistance to qualified applicants*
21 *for the purchase or rental of affordable housing.*

22 *(l) Providing money for supportive services necessary to enable*
23 *persons with supportive housing needs to reside in affordable*
24 *housing in accordance with a need for supportive housing*
25 *identified in the 5-year consolidated plan adopted by the United*
26 *States Department of Housing and Urban Development for the*
27 *city or county pursuant to 42 U.S.C. § 12705 and described in 24*
28 *C.F.R. Part 91.*

29 *2. On or before January 15 of each year, the governing body*
30 *shall submit to the Housing Division of the Department of*
31 *Business and Industry a report, in the form prescribed by the*
32 *Division, of how the measures adopted pursuant to subsection 1*
33 *assisted the city or county in maintaining and developing*
34 *affordable housing to meet the needs of the community for the*
35 *preceding year. The report must include an analysis of the need*
36 *for affordable housing within the city or county that exists at the*
37 *end of the reporting period.*

38 *3. On or before February 15 of each year, the Housing*
39 *Division shall compile the reports submitted pursuant to*
40 *subsection 2 and transmit the compilation to the Legislature, or*
41 *the Legislative Commission if the Legislature is not in regular*
42 *session.*

43 **Sec. 1.7.** (Deleted by amendment.)



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Sec. 2. NRS 278.0105 is hereby amended to read as follows:

278.0105 “Affordable housing” means housing affordable for a family with a total gross income ~~less than 110~~ *that does not exceed 80* percent of the median gross income for the county concerned based upon the estimates of the United States Department of Housing and Urban Development of the most current median gross family income for the county.

Sec. 3. NRS 278.160 is hereby amended to read as follows:

278.160 1. Except as otherwise provided in subsection 4 of NRS 278.150 and subsection 3 of NRS 278.170, the master plan, with the accompanying charts, drawings, diagrams, schedules and reports, may include such of the following subject matter or portions thereof as are appropriate to the city, county or region, and as may be made the basis for the physical development thereof:

(a) Community design. Standards and principles governing the subdivision of land and suggestive patterns for community design and development.

(b) Conservation plan. For the conservation, development and utilization of natural resources, including, without limitation, water and its hydraulic force, underground water, water supply, solar or wind energy, forests, soils, rivers and other waters, harbors, fisheries, wildlife, minerals and other natural resources. The plan must also cover the reclamation of land and waters, flood control, prevention and control of the pollution of streams and other waters, regulation of the use of land in stream channels and other areas required for the accomplishment of the conservation plan, prevention, control and correction of the erosion of soils through proper clearing, grading and landscaping, beaches and shores, and protection of watersheds. The plan must also indicate the maximum tolerable level of air pollution.

(c) Economic plan. Showing recommended schedules for the allocation and expenditure of public money in order to provide for the economical and timely execution of the various components of the plan.

(d) Historical properties preservation plan. An inventory of significant historical, archaeological and architectural properties as defined by a city, county or region, and a statement of methods to encourage the preservation of those properties.

(e) Housing plan. The housing plan must include, without limitation:

(1) An inventory of housing conditions, needs and plans and procedures for improving housing standards and for providing adequate housing ~~to~~ *to individuals and families in the community, regardless of income level.*



(2) An inventory of *existing* affordable housing in the community ~~H~~, *including, without limitation, housing that is available to rent or own, housing that is subsidized either directly or indirectly by this State, an agency or political subdivision of this State, or the Federal Government or an agency of the Federal Government, and housing that is accessible to persons with disabilities.*

(3) An analysis of *projected growth and* the demographic characteristics of the community.

(4) A determination of the present and prospective need for affordable housing in the community.

(5) An analysis of any impediments to the development of affordable housing and the development of policies to mitigate those impediments.

(6) An analysis of the characteristics of the land that is ~~the most appropriate for the construction of affordable housing.]~~ *suitable for residential development. The analysis must include, without limitation:*

(I) A determination of whether the existing infrastructure is sufficient to sustain the current needs and projected growth of the community; and

(II) An inventory of available parcels that are suitable for residential development and any zoning, environmental and other land-use planning restrictions that affect such parcels.

(7) An analysis of the needs and appropriate methods for the construction of affordable housing or the conversion or rehabilitation of existing housing to affordable housing.

(8) A plan for maintaining and developing affordable housing to meet the housing needs of the community ~~H~~ *for a period of at least 5 years.*

(f) Land use plan. An inventory and classification of types of natural land and of existing land cover and uses, and comprehensive plans for the most desirable utilization of land. The land use plan:

(1) Must address, if applicable, mixed-use development, transit-oriented development, master-planned communities and gaming enterprise districts.

(2) May include a provision concerning the acquisition and use of land that is under federal management within the city, county or region, including, without limitation, a plan or statement of policy prepared pursuant to NRS 321.7355.

(g) Population plan. An estimate of the total population which the natural resources of the city, county or region will support on a continuing basis without unreasonable impairment.

(h) Public buildings. Showing locations and arrangement of civic centers and all other public buildings, including the



1 architecture thereof and the landscape treatment of the grounds
2 thereof.

3 (i) Public services and facilities. Showing general plans for
4 sewage, drainage and utilities, and rights-of-way, easements and
5 facilities therefor, including, without limitation, any utility projects
6 required to be reported pursuant to NRS 278.145.

7 (j) Recreation plan. Showing a comprehensive system of
8 recreation areas, including, without limitation, natural reservations,
9 parks, parkways, trails, reserved riverbank strips, beaches,
10 playgrounds and other recreation areas, including, when practicable,
11 the locations and proposed development thereof.

12 (k) Rural neighborhoods preservation plan. In any county whose
13 population is 400,000 or more, showing general plans to preserve
14 the character and density of rural neighborhoods.

15 (l) Safety plan. In any county whose population is 400,000 or
16 more, identifying potential types of natural and man-made hazards,
17 including, without limitation, hazards from floods, landslides or
18 fires, or resulting from the manufacture, storage, transfer or use of
19 bulk quantities of hazardous materials. The plan may set forth
20 policies for avoiding or minimizing the risks from those hazards.

21 (m) School facilities plan. Showing the general locations of
22 current and future school facilities based upon information furnished
23 by the appropriate local school district.

24 (n) Seismic safety plan. Consisting of an identification and
25 appraisal of seismic hazards such as susceptibility to surface
26 ruptures from faulting, to ground shaking or to ground failures.

27 (o) Solid waste disposal plan. Showing general plans for the
28 disposal of solid waste.

29 (p) Streets and highways plan. Showing the general locations
30 and widths of a comprehensive system of major traffic
31 thoroughfares and other traffic ways and of streets and the
32 recommended treatment thereof, building line setbacks, and a
33 system of naming or numbering streets and numbering houses, with
34 recommendations concerning proposed changes.

35 (q) Transit plan. Showing a proposed multimodal system of
36 transit lines, including mass transit, streetcar, motorcoach and
37 trolley coach lines, paths for bicycles and pedestrians, satellite
38 parking and related facilities.

39 (r) Transportation plan. Showing a comprehensive
40 transportation system, including, without limitation, locations of
41 rights-of-way, terminals, viaducts and grade separations. The plan
42 may also include port, harbor, aviation and related facilities.

43 2. The commission may prepare and adopt, as part of the
44 master plan, other and additional plans and reports dealing with such
45 other subjects as may in its judgment relate to the physical



1 development of the city, county or region, and nothing contained in
2 NRS 278.010 to 278.630, inclusive, *and section 1.3 of this act*
3 prohibits the preparation and adoption of any such subject as a part
4 of the master plan.

5 **Sec. 3.5.** (Deleted by amendment.)

6 **Sec. 4.** (Deleted by amendment.)

7 **Sec. 5.** (Deleted by amendment.)

8 **Sec. 6.** (Deleted by amendment.)

9 **Sec. 7.** (Deleted by amendment.)

