

SENATE BILL NO. 497—COMMITTEE ON GOVERNMENT AFFAIRS

MARCH 26, 2007

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to certain public facilities. (BDR 22-1352)

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 public facilities; authorizing the use of the proceeds of the residential construction tax for the maintenance of neighborhood parks; authorizing the boards of county commissioners of certain larger counties to adopt procedures for the sale of the naming rights to a park or recreational facility owned by the county; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes a city or county to impose a residential construction tax, the proceeds of which may only be used for the acquisition, improvement and expansion of neighborhood parks or the installation of facilities in existing or neighborhood parks. (NRS 278.4983) **Section 1** of this bill authorizes a city or county to also use the proceeds of the residential construction tax for the maintenance of neighborhood parks.

Under existing law, boards of county commissioners are authorized to acquire parcels of land for park, recreational, cultural and memorial purposes and to operate, maintain and improve parks and other recreational and cultural facilities and areas owned by the county. (NRS 244.300-244.3091) **Section 2** of this bill authorizes a board of county commissioners in a county whose population is 400,000 or more (currently Clark County) to adopt by ordinance procedures for the sale of the naming rights to a park or recreational facility owned by the county, including a shooting range.



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

Section 1. NRS 278.4983 is hereby amended to read as follows:

278.4983 1. The city council of any city or the board of county commissioners of any county which has adopted a master plan and recreation plan, as provided in this chapter, which includes, as a part of the plan, future or present sites for neighborhood parks may, by ordinance, impose a residential construction tax pursuant to this section.

2. If imposed, the residential construction tax must be imposed on the privilege of constructing apartment houses and residential dwelling units and developing mobile home lots in the respective cities and counties. The rate of the tax must not exceed:

(a) With respect to the construction of apartment houses and residential dwelling units, 1 percent of the valuation of each building permit issued or \$1,000 per residential dwelling unit, whichever is less. For the purpose of the residential construction tax, the city council of the city or the board of county commissioners of the county shall adopt an ordinance basing the valuation of building permits on the actual costs of residential construction in the area.

(b) With respect to the development of mobile home lots, for each mobile home lot authorized by a lot development permit, 80 percent of the average residential construction tax paid per residential dwelling unit in the respective city or county during the calendar year next preceding the fiscal year in which the lot development permit is issued.

3. The purpose of the tax is to raise revenue to enable the cities and counties to provide neighborhood parks and facilities for parks which are required by the residents of those apartment houses, mobile homes and residences.

4. An ordinance enacted pursuant to subsection 1 must establish the procedures for collecting the tax, set its rate, and determine the purposes for which the tax is to be used, subject to the restrictions and standards provided in this chapter. The ordinance must, without limiting the general powers conferred in this chapter, also include:

(a) Provisions for the creation, in accordance with the applicable master plan, of park districts which would serve neighborhoods within the city or county.

(b) A provision for collecting the tax at the time of issuance of a building permit for the construction of any apartment houses or residential dwelling units, or a lot development permit for the development of mobile home lots.



1 5. All residential construction taxes collected pursuant to the
2 provisions of this section and any ordinance enacted by a city
3 council or board of county commissioners, and all interest accrued
4 on the money, must be placed with the city treasurer or county
5 treasurer in a special fund. Except as otherwise provided in
6 subsection 6, the money in the fund may only be used for the
7 acquisition, improvement , *maintenance* and expansion of
8 neighborhood parks or the installation of facilities in existing or
9 neighborhood parks in the city or county. Money in the fund must
10 be expended for the benefit of the neighborhood from which it was
11 collected.

12 6. If a neighborhood park has not been developed or facilities
13 have not been installed in an existing park in the park district
14 created to serve the neighborhood in which the subdivision or
15 development is located within 3 years after the date on which 75
16 percent of the residential dwelling units authorized within that
17 subdivision or development first became occupied, all money paid
18 by the subdivider or developer, together with interest at the rate at
19 which the city or county has invested the money in the fund, must
20 be refunded to the owners of the lots in the subdivision or
21 development at the time of the reversion on a pro rata basis.

22 7. The limitation of time established pursuant to subsection 6 is
23 suspended for any period, not to exceed 1 year, during which this
24 State or the Federal Government takes any action to protect the
25 environment or an endangered species which prohibits, stops or
26 delays the development of a park or installation of facilities.

27 8. For the purposes of this section:

28 (a) "Facilities" means turf, trees, irrigation, playground
29 apparatus, playing fields, areas to be used for organized amateur
30 sports, play areas, picnic areas, horseshoe pits and other recreational
31 equipment or appurtenances designed to serve the natural persons,
32 families and small groups from the neighborhood from which the
33 tax was collected.

34 (b) "Neighborhood park" means a site not exceeding 25 acres,
35 designed to serve the recreational and outdoor needs of natural
36 persons, families and small groups.

37 **Sec. 2.** Chapter 244 of NRS is hereby amended by adding
38 thereto a new section to read as follows:

39 *The board of county commissioners in a county whose*
40 *population is 400,000 or more may adopt, by ordinance,*
41 *procedures for the sale of the naming rights to a park or*
42 *recreational facility that is owned by the county, including,*
43 *without limitation, a shooting range.*



1 **Sec. 3.** This act becomes effective on July 1, 2007.

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