

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-Fourth Session  
May 4, 2007**

The Committee on Government Affairs was called to order by Chair Marilyn K. Kirkpatrick at 9:00 a.m., on Friday, May 4, 2007, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at [www.leg.state.nv.us/74th/committees/](http://www.leg.state.nv.us/74th/committees/). In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: [publications@lcb.state.nv.us](mailto:publications@lcb.state.nv.us); telephone: 775-684-6835).

**COMMITTEE MEMBERS PRESENT:**

Assemblywoman Marilyn Kirkpatrick, Chair  
Assemblywoman Peggy Pierce, Vice Chair  
Assemblyman Kelvin Atkinson  
Assemblyman Bob Beers  
Assemblyman David Bobzien  
Assemblyman Chad Christensen  
Assemblyman Jerry D. Claborn  
Assemblyman Pete Goicoechea  
Assemblyman Ruben Kihuen  
Assemblyman Harvey J. Munford  
Assemblywoman Bonnie Parnell  
Assemblyman James Settelmeyer  
Assemblyman Lynn D. Stewart  
Assemblywoman RoseMary Womack

**GUEST LEGISLATORS PRESENT:**

Senator Mike McGinness, Central Nevada Senatorial District  
Senator Warren Hardy II, Clark County Senatorial District No. 12  
Senator Steven Horsford, Clark County Senatorial District No. 4

Minutes ID: 1145



**STAFF MEMBERS PRESENT:**

Amber Joiner, Committee Policy Analyst  
Scott McKenna, Committee Counsel  
Emilie Reafs, Committee Secretary  
Olivia Lloyd, Committee Assistant

**OTHERS PRESENT:**

Captain Scott Ryder, Commanding Officer, Naval Air Station Fallon  
Colonel Michael Bartley, Commander, Nellis Air Force Base  
Bjorn Selinder, representing Churchill County  
Mike Henderson, North Las Vegas Chamber of Commerce  
Rosanna Coombes, Interim Director, Truckee Meadows Regional  
Planning Agency  
Harry "Buster" Neel, Jr. Vice President for Finance & Administration,  
Nevada State College  
Robert Joiner, AICP, Government Affairs Manager, City of Sparks  
Tom Minton, Finance Director, City of Sparks  
Kimberly McDonald, MPA, State Legislative Affairs Officer, City Managers  
Office, City of North Las Vegas  
Gregory Rose, City Manager, City of North Las Vegas  
Larry Bender, Manager, Redevelopment Division, Economic Development  
Department, City of North Las Vegas  
Robert Eliason, North Las Vegas City Council, Ward 1  
Dean Leavitt, North Las Vegas Planning Commission  
Sharon Powers, President, North Las Vegas Chamber of Commerce  
Peter Demangus, Owner and General Manager, Jerry's Nugget  
Joe Cain, Vice President and General Counsel, Silver Nugget Gaming  
Kathleen Conaboy, representing National Association of Industrial and  
Office Properties (NAIOP), Southern Nevada Chapter  
Terry Hickman, Nevada State Education Association  
Hannah Brown, Urban Chamber of Commerce  
Ted Olivas, representing City of Las Vegas  
Sabra Smith-Newby, Intergovernmental Relations Director, Clark County

[Call to order, Roll Call]

**Senator Mike McGinness, Central Nevada Senatorial District:**

It is my honor to represent Churchill County, which is the home to Naval Air Station (NAS) Fallon, and I also represent the top portion of Clark County all the way out to Mesquite, which has Indian Springs and some of the areas the Colonel flies over as part of the Air Force.

I appreciate the opportunity to introduce Senate Bill 269 (1st Reprint), relating to land use planning.

**Senate Bill 269 (1st Reprint): Makes various changes to provisions governing land use planning regarding military installations. (BDR 22-111)**

The bill requires when local governing bodies make zoning decisions, the various land use and master plans take into consideration, the coordination and compatibility of land uses with each military installation in the region, and also take into account the location, purpose, and stated mission of that military installation.

Let me tell you what the bill does and does not do. It requires notice to base commanders that land use hearings are being scheduled. These are the same notices that are given to property owners within short distances of the proposed land use changes including residential, commercial and vacant property, as well as tenants of mobile home parks. The bill requires the local jurisdiction to give the military notification, an opportunity to have a voice, and the same rights of appeal that others have. The bill does not give the military veto authority over any proposal. Decision making power and authority remain in the hands of planning and zoning commissions, city councils, and county commissions. It does not prohibit development near military bases; it simply tells planning and zoning authorities that changes in land use may affect the mission of a military installation. Land use is and should be within the purview of the local planning and zoning authorities and their parent governments.

**Assemblyman Stewart:**

Will this allow the people who build next to the air bases to complain about the jet noise?

**Senator McGinness:**

I am sure it will. I know NAS Fallon has someone who handles nothing but that. I still love it when they fly over my house.

**Assemblyman Goicoechea:**

I thought Churchill County, through ordinance, had already adopted this. Can you comment on that?

**Senator McGinness:**

Captain Ryder can speak to that. There has been great cooperation between NAS Fallon and Churchill County to make sure that the mission of NAS Fallon and the rights of the property owners are protected.

**Captain Scott Ryder, Commanding Officer, Naval Air Station Fallon:**

[Read from prepared statement, ([Exhibit C](#)).]

**Colonel Michael Bartley, Commander, Nellis Air Force Base:**

[Read from prepared statement ([Exhibit D](#)).]

**Assemblyman Beers:**

How long have NAS Fallon and Nellis Air Force Base been in operation?

**Captain Scott Ryder:**

Naval Air Station Fallon has been in operation since World War II. It was built as a fallback airfield expecting Japanese attacks on the Pacific coast, and provided the opportunity to have an airfield from which we could launch strikes against them. It started out as an Air Force base and subsequently became a naval facility, in almost continuous operation since World War II.

**Colonel Michael Bartley:**

Nellis Air Force Base (Nellis) has been in operation since 1941 with similar beginnings. The Air Force found it necessary to train our fighter and bomber crews for gunnery operations in the European and Pacific theaters. Nellis was selected because of the vastness of the land, air space, the range complex [in Nye County], the terrain, and the more than 300 days of great weather that was available.

**Assemblyman Beers:**

There was a controversy in Las Vegas regarding a farm that has been there about as long as the base. Development came up to the farm and then the people new to the area complained about operations that had been there previously. This bill only seems fair. You should have had this voice in the 1940s.

**Chair Kirkpatrick:**

I want to congratulate Nellis, I understand you guys just got a federal solar program and it will be one of the largest in the nation.

**Colonel Michael Bartley:**

We are looking forward to having it fully operational by the end of December; 15 megawatts of power connected to the grid. It is a start in the right direction.

**Bjorn Selinder, representing Churchill County:**

I became involved in the matter of operations at NAS Fallon when I was county manager for 28 years. I had the fortune to work with responsible and responsive base commanders to make sure that the interests of the military and citizens were protected. I became a member of the Nevada Military Advisory Coalition, whose purpose was to provide input and planning in an effort to make sure that the military bases present in the State of Nevada would be looked upon favorably under the Base Realignment and Closure (BRAC) program. The BRAC program is an effort to reduce the military bases throughout the world.

It became evident that there was a need, at the local level, to adopt amendments to our planning and zoning ordinances to ensure our military base was protected and looked upon as an asset in the community. The military in Churchill County comprises 40-50 percent of the economy. While Fallon's economy does rise and fall, it is more in step with the national economy and the troughs are not as severe because of the military and agriculture. Churchill County is in full support of S.B. 269 (R1) and we urge your favorable consideration.

**Mike Henderson, North Las Vegas Chamber of Commerce:**

I also represent the Nevada Military Advocacy Commission which was created when the Pentagon planned on closing 25 percent of the bases within the United States. Two bases in Nevada were targeted for closure. It is a bipartisan group, and its leadership consists of our five members of Congress and the Governor. We also appoint members of the State Assembly and Senate, Democrats and Republicans, many mayors and county commissioners, as well as private sector representatives. This group dug in its heels and was able to save the two bases originally targeted for closure. We eventually expect another BRAC round.

This legislation would give the military a seat at the table when zoning changes, which may impact them, are being discussed. The military can present its point of view, and the local civilian authorities can do what they will with that information.

I also represent the North Las Vegas Chamber of Commerce, who prides itself on having a good, strong relationship with Nellis Air Force Base.

**Chair Kirkpatrick:**

Is there anyone else who would like to speak in favor of S.B.269 (R1)? [There were none.] Is there anyone who is neutral? [There were none.] Is there anyone who is opposed to S.B. 269 (R1)?

**Rosanna Coombes, Interim Director, Truckee Meadows Regional Planning Agency:**

The Agency and its board were established pursuant to NRS Chapter 278 and our jurisdiction relates to Washoe County apart from tribal lands and the area covered by the Tahoe Regional Planning Agency. There are a couple of handouts that I would like to speak about ([Exhibit E](#)) and ([Exhibit F](#)). The Truckee Meadows Regional Planning Governing Board is in opposition to this bill as currently drafted, but it does not mean they are in opposition to military in the region nor would they want to impede their operations.

The first handout ([Exhibit E](#)), gives context to the comments of the Governing Board. This will help you understand that the scale of military installations in Washoe County is nowhere near Nellis or NAS Fallon. It therefore sets up a different planning dynamic for the region. The map shows that the preponderance of military installations in our county are actually located at the airports. They are already planned for through the operation of the airports. The Regional Planning Governing Board takes planning around these installations, and the airports in general, very seriously.

The second handout ([Exhibit F](#)), explains that our regional plan already requires our local governments to ensure that new development consider its compatibility to regional airport operations. It does not distinguish whether it is civilian or military airport operations. The Board feels they are already on the front foot with this.

The amendments are on the bottom of handout one ([Exhibit E](#)). They would like the bill to apply to counties with populations greater than 400,000 and less than 100,000, military installations that have on-site or on-base residential housing, or military facilities over a certain size. That would pick up the installations that specifically need to be managed.

In the event that you feel that this still needs to apply to Washoe County, we ask that you make the following considerations. The Truckee Meadows Regional Planning Governing Board role is to review local government master plans. We do not review zoning or developments. In order to manage what is occurring at the local level around these installations, we would need tools in statute. We would ask that *Nevada Revised Statutes* (NRS) 278.026, which defines an affected entity, be amended to include the military, because this is

what we oversee. We would like facility plans from the military so we would know what they are planning in order for us to manage surrounding development. The other option is under NRS 278.026, which requires local governments and affected entities to provide an annual report of their intentions. Since the introduction of the bill we have spent an inordinate amount of time trying to contact the military to find out who we need to talk to and what the missions are at each of these installations, and it is a minefield.

**Chair Kirkpatrick:**

Did you propose these amendments on the other side?

**Rosanna Coombes:**

No, we did not.

**Chair Kirkpatrick:**

Did you speak to the bill's sponsor about these amendments?

**Rosanna Coombes:**

No, we did not.

**Assemblywoman Parnell:**

It seems a little backwards to me. The military and any military installation has the absolute right to do what they need to do. If, for no other reason than safety issues, they should always be given precedence in whatever issue or discussion is taking place. I do not understand why, if you now take that into consideration, there is opposition.

**Rosanna Coombes:**

The Board felt they were already on the front foot with this. There is no need to amend the statute. Amendments to statute should fix problems that currently exist and since there is not a current problem, there is no a need to change the statute.

**Assemblyman Goicoechea:**

Churchill County is working the same as you to incorporate the military in the planning process. I did not hear Churchill County oppose this. As I look at S.B. 269 (R1) I do not see anything that would move you beyond where you presently are in the process. Why are you here trying to amend your way out of the bill when you are already doing it? Looking at your map, what is wrong with notifying the commander if you are planning a zoning change, for example, close to Stead?

**Assemblyman Settlemeyer:**

This is in no way a veto power, it is just transparency and a voice, the ability to understand what is going on in your community since they are such an integral part of our communities. I do not understand the problem. We do not create laws for the counties; we create them for the whole State of Nevada. This law would create consistency.

**Assemblyman Stewart:**

It seems like the problem in the past was that you were not able to find these commanders when you needed them. With this bill they will be at the table.

**Assemblyman Bobzien:**

I agree with the dismay about why these amendments did not come forward on the Senate side. I think you have raised an interesting and important point, but we would be reluctant to exclude Washoe County. The issue of scale is a valid point and perhaps the affected municipalities need this direction in their planning relationships with NAS Fallon and Nellis. The installations in Washoe County are small and I would be interested to hear from the southern counties if they also have small installations. There could be the unintended consequence of a large workload of additional notification requirements. I would be willing to look at the definition of whom we are trying to capture.

**Assemblyman Beers:**

My concern is in zoning and planning questions, you want to have input from all of the affected parties. Why would Washoe County not want one of the affected parties at the table? The more information you have, the better the final decision.

**Rosanna Coombes:**

Our governing board is in no way implying that they wish to impede operations of the military. Both the Reno-Tahoe International Airport and the Stead Airport are designated on our regional plan as regional centers, which mean that specific plans need to be created at the local government level. Once the local government develops those plans, they involve all of the stakeholders in the planning process in order to meet the needs of the stakeholders. Thank you for your comments.

**Chair Kirkpatrick:**

Mr. Bobzien, long before this bill came up for hearing I asked staff to put it on the work session for Monday. If you want to get those definitions, you might want to do that today.



**Assemblyman Bobzien:**

If it is in work session Monday, we will need an amendment today.

**Chair Kirkpatrick:**

We are going to close the hearing on S.B. 269 (R1). We are going to open the hearing on Senate Bill 374 (1st Reprint).

**Senate Bill 374 (1st Reprint): Makes certain changes concerning tax increment areas. (BDR 22-816)**

**Senator Warren Hardy II, Clark County Senatorial District No. 12:**

I had the honor of chairing a committee on higher education a couple of sessions ago. We retained a consultant and did quite a bit on the state of higher education in Nevada, including how we compare to other states. There were a couple of findings from that committee that I subsequently began to feel strongly about, but none so much as the absolute essential need we have for a viable and strong state college system. It is the only way to provide the needed Baccalaureate degrees, while allowing the university system to focus on its research mission and the community college system to focus on its mission.

One of the findings of that committee was that it is critical we not allow "mission creep." When the majority of your Baccalaureate degrees are provided at the university level, it is difficult for the university system to focus on research. It is also expensive. We provide the majority of our remediation at our university level. I have become passionate about the need for a state college system throughout the State. I never refer to the state college in Henderson because I want the State to start thinking in terms of a statewide state college system.

We have challenges in regard to financing and funding, and one of the ideas that came from a neighboring state was the idea of tax increment financing. Senate Bill 374 (R1) is a pilot program. We decided it was best to go forward with a pilot program at the Nevada State College in Henderson before expanding the program throughout the State. The situation is ideal there; the area under discussion will most likely not generate a lot of revenue, but it could provide the funding necessary to construct the first cog in a successful state college system.

**Harry "Buster" Neel, Jr., Vice President for Finance & Administration, Nevada State College:**

This bill would allow the Nevada State College campus, with the approval and assistance of the City of Henderson, to become a tax increment area. What it means is that over time the college would be able to generate a revenue stream

that would enable the development of the physical part of the campus. It is a challenge to start a new campus. Programmatically, Nevada State College is off to a good start, it has almost 2,000 students and will have about 2,400 this fall.

If there is one thing that will hold us back, it will be the lack of space and facilities. We will have to have partnerships to be successful. One of those partners is the City of Henderson. The city has been involved and supportive from the beginning, and it would have to sign off on the development of the tax increment. The City has been important in getting lease space to start the program and it is giving us over 500 acres of land to develop the campus. We are providing all of the benefits of a college in the Henderson area.

Another partner is the Clark County School District. One of our primary foci, along with nursing, is providing teachers for the State of Nevada. We have worked with the Clark County School District and modified this legislation so it is acceptable to them. Not only are we going to provide teachers, but also 20 acres to the School District for the construction of a K-8 school on campus.

Another important partner is the Legislature. The Legislature has provided the majority of the funding for our first building. We have broken ground and worked through all of the issues related to the first building and will be occupying it in the fall of 2008. It should not surprise you that we will be coming back to the Legislature asking for more help. At the same time we recognize you are faced with many demands. In order for us to be successful and do what we need to do for the State, we have to get creative. This legislation is an example of getting creative and generating a revenue stream that over time will help us be successful. We are doing all we can to help ourselves. From every perspective we believe it is a win-win situation for everyone.

**Assemblyman Munford:**

What are the entrance requirements for the Nevada State College?

**Harry "Buster" Neel, Jr.:**

It is a 2.0 Grade Point Average and graduation from an accredited high school.

**Assemblyman Munford:**

The two areas that you are offering are nursing and teaching?

**Harry "Buster" Neel, Jr.:**

Those are two foci but we are much broader than that. Our business program is taking off. When the college was started, it was specifically set up to help in the areas of nursing and teaching.

**Assemblywoman Womack:**

My district shares the Nevada State College with Mr. Stewart. We have worked to get funding and legislation for the College. There are 72 graduating from the nursing program this June. I worked on similar projects for housing for the University of California, Los Angeles (UCLA) in Westwood, California. It worked nicely because housing for students, is needed prior to the construction of a school. There is also the need for faculty housing, so I commend the project and support the bill.

**Assemblyman Stewart:**

I strongly support this measure. Could you tell us how this tax increment district works?

**Harry "Buster" Neel, Jr.:**

What we will do in the process is to find a developer, a developer-partner, or a development team to come and put in supportive opportunities on campus. There will be workforce housing that would be available not only for the students, faculty, and staff, but also for public school teachers. In addition to housing, which would be a combination of rental and for-purchase, there are opportunities for commercial and retail, all of which will generate taxes we will retain because they are in the tax district. We will utilize and leverage those dollars to build the physical part of the campus.

**Assemblyman Stewart:**

This would include restaurants, fast-food places, things that would service the students and provide the tax revenue, is that correct?

**Harry "Buster" Neel, Jr.:**

That is correct.

**Assemblyman Stewart:**

I am in support of this bill.

**Assemblyman Beers:**

I want to echo Mr. Stewart's comments. I have been excited about it since I first heard about it. I think it is a superb idea.

**Senator Warren Hardy II:**

The State College is once again thinking outside of the box and doing a wonderful job.

**Chair Kirkpatrick:**

Is the city or the State College the one who does the bonding? How much commercial is there going to be? How are they going to pay the bonds back? I do not see any numbers anywhere. What is the anticipated time line? Is it going to be specific to the area?

**Harry "Buster" Neel, Jr.:**

In terms of the bonding: the intent is that the bonding would be done by the college. These would be Revenue Bonds, not General Obligation Bonds. It would be some time in the future before this could happen in order to generate revenue stream. The area is strictly our campus.

**Chair Kirkpatrick:**

What is the time frame before the dollars will start to be paid back?

**Harry "Buster" Neel, Jr.:**

We have started to put some numbers together. At this point in time we are looking at least ten years before it is reasonable to think that we will generate sufficient revenues to begin any campus project, but not in terms of putting in retail and those kinds of things. For that development, we are looking at the next two to three years.

**Chair Kirkpatrick:**

I understand that you narrowed this bill. Should I be comfortable with it?

**Senator Warren Hardy II:**

That is why we did it.

I want to thank the Committee for having an open mind for this innovative idea. This is critical for the statewide state college system.

**Chair Kirkpatrick:**

Is there any one who would like to speak in favor of S.B. 374? [Referring to the amendment brought forward by the City of Sparks.] Senator Hardy, these gentlemen assure me they brought the amendment to you.

**Senator Warren Hardy II:**

They did.

**Robert Joiner, AICP, Government Affairs Manager, City of Sparks:**

We are requesting an amendment to the tax increment mechanism ([Exhibit G](#)). The sponsor of the bill is aware of the amendment. We support the bill because of what is in NRS Chapter 278; we saw an opportunity for the City of Sparks. It will only impact the City of Sparks. We also spoke to Mrs. Erdoes, of the Legislative Counsel Bureau Legal Division, for direction. We also spoke with Carole Vilardo of the Nevada Taxpayers Association and Mr. Swendseid of the bond counsel for direction in crafting the language to be as minimal as possible. We spoke to the City of Henderson and the State College representatives.

**Tom Minton, Finance Director, City of Sparks:**

Our amendment affects NRS Chapter 278C.250, which states "tax increment areas in a municipality can be limited to 15 percent of total ad valorem revenue if the population is under 100,000 and 10 percent of ad valorem revenues for populations over 100,000." The City of Sparks currently has 88,000 residents. We would like to be able to issue tax increment debt and assure the bondholders that the available revenues to make bond payments will not fall from 15 to 10 percent.

**Assemblyman Goicoechea:**

I thought these caps moved up as the population grew, but apparently that is not the case. This bill is trying to ensure at the point you get over 100,000 you can still maintain the 15 percent rather than the ten.

**Robert Joiner:**

That is exactly correct, it grandfathers that rate so that you can secure your debt payment.

**Chair Kirkpatrick:**

I want to ask staff, what other cities might be affected by this? I would think that other cities would have the same concern, for example Carson City. I want to know who would be coming next session asking the same thing because we have one more session before a census. I think this might set a precedent.

We will close the hearing on S.B. 374 (R1) and open the hearing on Senate Bill 200 (1st Reprint).

**Senate Bill 200 (1st Reprint): Extends the duration of certain redevelopment plans. (BDR 22-358)**

**Senator Warren Hardy II, Clark County Senatorial District No. 12:**

I am coming to you on this bill as your counterpart from the Senate Government Affairs Committee. I wanted to explain why we went the way we did on this

bill. The redevelopment agency in North Las Vegas is really just starting to take off and do what it intended to do. We had a lot of discussion on our side about whether there should be some mechanism for an automatic extension or application. Our Committee felt it important we not uniformly expand redevelopment timelines, but that the requesting agencies come before the Legislature.

There is opposition to redevelopment districts for a lot of different reasons, but the redevelopment in North Las Vegas does not resemble any district that would cause anyone concern. Redevelopment of a blighted area is the purpose of a redevelopment district, but the process did not take off until recently.

I have just seen the amendment, which is language that we have put in another bill in the Commerce Committee. It is worth exploring, but I have some concern about doing it on an ad hoc basis. It is something that we should think about for all redevelopment districts instead of picking these abatements apart. I am willing to listen to their comments and work with you, Madam Chair, to make a more global policy decision.

**Chair Kirkpatrick:**

Section 1 changes the plan dates from before 1987, to before 1991, but would still get the 45 years stated in the bill. I wanted to be clear that in Section 2, any redevelopment plans after 1991 would stay within current 30 years. Is that correct?

**Senator Warren Hardy II:**

That is correct. It was interesting that we were able to do it by date and have it specifically address the North Las Vegas redevelopment plan. We made that policy decision as a Committee and as the Senate, but if there are other circumstances like this, the Legislature needs to make the decision.

The amendment is relative to making sure that abatements do not negatively impact the schools. We need to make a policy decision for all impacted areas, not just the North Las Vegas redevelopment area.

**Kimberly McDonald, MPA, State Legislative Affairs Officer, City of North Las Vegas:**

Tony Marinello, the Chief Executive Officer (CEO), of North Vista Hospital, is on business travel but supports S.B. 200 (R1). There are photos of downtown ([Exhibit H](#)) and a presentation ([Exhibit I](#)) that gives you more information on the redevelopment areas, maps, and major upcoming projects, and also the projects that have been undertaken since 2000.

**Gregory Rose, City Manager, City of North Las Vegas:**

Passage of Senate Bill 200 (R1) will enable North Las Vegas to create a great downtown and realize our vision for the downtown area, which is to have a walkable community with shopping, entertainment, office space, and housing anchored by our new City Hall. We have been working with the school district to create teacher housing in the downtown area. They have been concerned about the downtown area because of the crime rate that exists there, and the blight. We hope that passage of the bill will help us correct that problem. Passage will also enable us to replace any infrastructure needed to advance our vision and have a stronger partnership with our citizens and business community.

It will enable us to improve the blighted area, reduce crime, and create a higher quality of life for the citizens that live in the area. It will require short-term investment by the City of North Las Vegas, the County, and the school district. It will result in long-term gain for all of those entities. No jurisdiction will realize any gain if blight continues in this area.

**Larry Bender, Manager, Redevelopment Division, Economic Development Department, City of North Las Vegas:**

The City of North Las Vegas established its downtown redevelopment area in 1990. The type of blight you see in the pictures ([Exhibit H](#)) is what we seek to alleviate. Over the years, serious and substantial effort was made to redevelop these blighted sections of downtown North Las Vegas; unfortunately there was a lack of private sector response and investment, not just in North Las Vegas, but throughout the Las Vegas Valley. In the past two years North Las Vegas has finally begun to generate considerable momentum from its redevelopment efforts. Private and public sector projects in the pipeline total an excess of \$800 million. In order to develop the sense of place, the private sector and the City of North Las Vegas will require an agency bonding capacity sufficient to provide the aesthetic environment and infrastructure which is the keystone to redevelopment. With only 13 years left before termination of the downtown redevelopment plan our bonding ability becomes limited. An extension from 30 to 45 years would enable us to issue bonds with terms sufficient to provide needed public improvements. Approval of S.B. 200 (R1) will enable the City of North Las Vegas to make the public sector improvements necessary to parlay private sector investment into a downtown of which our citizens will be proud.

**Assemblywoman Parnell:**

Tell me more about the teacher housing. What have you done so far to get that started?

**Larry Bender:**

We have had discussions over the past year and a half to two years with GeorgeAnn Rice, Clark County School District, and several other people. We understand that redeveloping the commercial areas of downtown North Las Vegas is important, but just as important are the adjoining neighborhoods. What we are trying to do is earmark housing in adjoining neighborhoods that can be accessed by teachers. We have ongoing dialogue in that difficult process.

**Assemblyman Goicoechea:**

We are taking a plan that was adopted 16 years ago and we are going to cap it 45 years from that date, so technically we are talking about 30 years. Is it that difficult to make a new plan? If you were to submit a new plan you would be at 30 years again.

**Larry Bender:**

What we are looking to do is not to create a new district. We have a district that we are happy with. We are trying to extend the time period from 30 to 45 years so we have a better ability to do bonding for the necessary improvements.

**Assemblyman Goicoechea:**

Can you not recreate the same district with the same plan with some amendments? I do not understand why you cannot do that.

**Larry Bender:**

It is tedious, time-consuming, and difficult to create a new district. We are trying to not go back and reinvent the wheel. We are trying to amend and improve what already exists.

**Assemblyman Goicoechea:**

You have some ongoing projects, and anticipate some other projects. Is that correct?

**Larry Bender:**

We have gained significant momentum in the last two years; we are looking at a major revitalization of a casino in the downtown area, as well as significant retail and office space opportunities. We also know that we are not looking for individual projects. We are looking for a cohesive downtown and to establish that the private sector is going to be investing millions of dollars. They are looking to the public sector to provide that sense of place.



**Gregory Rose:**

We are in the process of creating a Master Plan for our downtown area. We have worked for a couple of years with the businesses, as well as with the citizens, in defining what downtown North Las Vegas is. In prior years we had taken a very different approach, we were trying to do too many things. We worked with the citizens, geographically isolating what the downtown area would be, and we are working very aggressively to make improvements to that area. We are moving from a shotgun approach to a rifle approach. Passage of this bill will enable us to leverage the funding to provide the infrastructure necessary to make drastic improvements in this area. If the bill is not passed it will significantly hinder our ability to improve this area, which will retain the quality of life for the residents of the area.

**Assemblyman Munford:**

Some of the area that you are considering developing is in my district. I am in support of it and will work with you in any way I can. It is an area that needs job creation and improvement in appearance. It is considered a blighted area.

**Assemblyman Settlemeyer:**

My district in Douglas County does have areas of redevelopment. What has concerned me in the past and today, is that they will set something in a redevelopment area, but the redevelopment does not occur quickly. If you put something out for 45 years, could we ensure that within five to ten years that construction begins?

**Gregory Rose:**

In addition to the comprehensive plan specifically for the downtown area, we are also creating a Capital Improvement Plan. We would not have any concern about adding a requirement that we start some construction to show evidence that we are advancing our vision in the redevelopment area. It is our intention to start long before five years.

**Assemblyman Stewart:**

On your map ([Exhibit I](#)), of the downtown projects, do you have a start date on the City Center Pavilion and the City Hall expansion? All of these boarded up houses ([Exhibit H](#)), are they going to be revitalized for the teachers?

**Larry Bender:**

I will answer the second question. Those houses and blighted parcels are ones that we have acquired as a redevelopment agency. We are working to assemble property and make it available to developers for projects so they do not have that obstacle. The private sector has a difficult time developing in distressed areas because of the time and money it takes to do a redevelopment

project versus a place where they can develop on a bare piece of ground. There are adjacent areas where we intend to work with the residents to upgrade their homes.

**Assemblyman Stewart:**

These homes are already purchased, so they are going to tear them down and a developer will come in and build new homes?

**Larry Bender:**

That is correct.

**Gregory Rose:**

In response to the first question, we have already sold bonds for the City Hall project and are in the planning process. We have identified two parcels that could house the new City Hall and are in negotiations to purchase one of the parcels. That project is well underway and we hope to start the design work next fiscal year and start construction the following fiscal year.

**Assemblyman Stewart:**

What about the City Pavilion?

**Larry Bender:**

Of the two projects you mentioned, the Silver Nugget Casino was recently purchased: the upgrade and expansion as well as the engineering improvements are ongoing. You will see new improvements within the year or year and a half. The developer of the retail parcel across the street, the City Center, would like to break ground this year but at the latest, the first quarter of next year.

**Assemblyman Munford:**

Have you had any working cooperation with the City of Las Vegas? The redevelopment district abuts it. The corridor of Las Vegas Boulevard where Main Street junctions is where the City of Las Vegas ends, and there is a large concentration of homeless facilities and people.

**Gregory Rose:**

We have worked on the regional homeless coalition and that includes all of the different agencies within the Las Vegas Valley. We try to have a consistent response for our homeless population with all of the other jurisdictions.

In regard to the improvement of that corridor, this Committee is hearing a second bill sponsored by Senator Horsford that will encourage us to have a stronger relationship with the County and the City of Las Vegas. It is creating an advisory committee that will report next legislative session to this

Committee. We see that partnership developing and we think the bill will be a catalyst to continue improvements in that area so that we do not look at redevelopment simply from our jurisdiction.

**Assemblyman Goicoechea:**

Page 7 of ([Exhibit I](#)) shows the first redevelopment area created in 1991 and the north redevelopment which was the second area created about 1998 because it runs until 2043. Is there the ability, within this legislation, to propose another amendment that would run us out to 2054? Where is the cut off for this particular 45 years?

**Kimberly McDonald:**

The agreement we have with Mrs. Vilardo and others, is that the extension would apply only to the first and oldest downtown redevelopment area and not for the second northern one. Currently, NRS 279.438 extends the termination date out to 45 years for agencies that were created before July 1987. With this new date of January 1, 1991, it enables us to be included in this provision. Our first redevelopment agency was not created until 1990 so we will not be able to capitalize on this provision as the cities of Las Vegas, Reno, and Sparks have.

**Assemblyman Goicoechea:**

If we make this change in the law, you could incorporate the north redevelopment plan into the 45 year time frame. Is that correct?

**Kimberly McDonald:**

No, that would stay at the 30 years.

**Assemblyman Goicoechea:**

You are not looking to get it?

**Kimberly McDonald:**

No, that came to the attention of the Senate Government Affairs Committee as well; that the extension would only apply to the first redevelopment area. That is the oldest one, and that would really help us the most.

**Chair Kirkpatrick:**

I offered to bring this bill forward because I believe in redevelopment. If the Chamber of Commerce really believed in redevelopment, why did they move out of downtown? We have been trying to get people to step up to the plate. It was a nightmare trying to get Taco Bell, El Pollo Loco, the medical center on Lake Mead, and the Civic Center approved. You have only spent \$1 million in

seven years in this downtown area. What have we done with the rest of the redevelopment? Where have we been this whole time?

I want to help you, but let us look at these businesses that all of a sudden want to step up, some of them have been there 20 years. I do not see Poker Palace on here. I have a lot of questions about this. Why can we not get this done in the next 13 years? I do not know if I need to wait for the businesses to answer or if you can, but did something change? It took two years to get the palm trees on Lake Mead and the Civic Center because we fought about the kind of palm tree, for goodness sake.

I have talked to Councilman Eliason because he has been trying to do this for a long time, but now, all of a sudden, everybody wants to do something. What has changed?

**Gregory Rose:**

I will start. I was oft told as a youth "If you fail to plan, you plan to fail." That holds true for us. There is no question that we could have done a better job in North Las Vegas in the past with redevelopment. What distinguishes us today from our previous approach is that we now have a plan and we are developing other plans. We have a clear vision for the downtown. That vision was not developed by the City Council or city staff; it was developed by the citizens that live there and the business community. We worked for about 18 months with a number of the businesses, including the Poker Palace, trying to identify where downtown should be for North Las Vegas and what it should include. We are also working with a core group that will have major investments in the downtown area in the next five to ten years. We have done a better job getting community input into what the vision should be and how we advance it. If you contact the businesses that have been involved you will find they are supportive of this bill. The Chamber of Commerce is supportive because they represent many of those businesses and the president will be testifying today.

**Chair Kirkpatrick:**

I guess two years is too long for me. Let us do something next week. Do we not have things that we can get done? Those residents have been waiting a long time and invested in North Las Vegas before anything else came. I will ask the Chamber why they moved out of downtown if it is so wonderful. Jerry's Nugget will be building a new hotel in Mesquite before this one gets something.

I remember when we talked about the corner of Lake Mead and Las Vegas Boulevard, and the new police station. Eight years later, we have nothing. I do not know if giving you an extra 10 or 15 years gets it done. I am for adding an

amendment that says if construction does not start in two years, it does not happen.

**Gregory Rose:**

We have taken a critical look to identify...

**Chair Kirkpatrick:**

Let me go through this list ([Exhibit J](#)). Post 2005, projects in process: Jerry's Nugget does not say what the project is, we are halfway through 2007; the Plaza Mexican Shopping Center I think was approved in 2004, that is the one on Walnut, or maybe that one did not go through because we could not get redevelopment to work with us; the Lake Mead and Civic Center Shopping Center, what have we done besides put in an El Pollo Loco? We have not even done the landscaping, and the Chamber of Commerce moved out; Nevada Power is moving out, tell me what we have done? North Vista Hospital, the name changed and that is it.

**Gregory Rose:**

If you look at the mature area of Civic Center at Cheyenne, we have a wonderful project in progress. It is headed by the Montecito Corporation. It is the first significant dollar investment, not to minimize the investment of El Pollo Loco and Taco Bell, since the creation of the redevelopment area. The reason they are interested in investing is because they think their investment is secure. They believe that is because of the efforts we are making to clean up the area. The City Council has placed significant funding in street sweeping, police officers, and code enforcement all aimed at trying to make improvements in the mature area and throughout the City.

**Chair Kirkpatrick:**

Where in the process is the project? I asked the mayor to be here because two years ago he sat before this Committee and said that was what he was going to do. He never called me like he was supposed to. He made a commitment to do something for downtown, I fight for every downtown in the state. I have lived in North Las Vegas for 17 years, so I really fight for this one. I think it is wrong because in the left column, you have the project name, but the right side is blank. It does not say where we are in the process, and on the front page you show me the projects and that \$1 million has been spent in seven years.

**Gregory Rose:**

I will not come before the Committee and indicate that we have done a good job in past years in redevelopment. We did not have a good plan.

**Chair Kirkpatrick:**

I want a date. When are any of these projects going to be done?

**Gregory Rose:**

In June of this year the Montecito is looking to have its grand opening. The city hall project is about two years before construction will begin. That is the closest that I can give you at this point. I can say that we have already sold bonds for the project. It is going to happen and we are incurring that debt. The creation of the Capital Plan for the downtown area will take about one year, which will identify all of the infrastructure needs. A lot of that will be targeted based upon discussions with the business community.

**Chair Kirkpatrick:**

The business community who keeps leaving downtown?

**Gregory Rose:**

Jerry's Nugget is in the downtown area and they will continue to be in the downtown area as well as North Vista Hospital. We believe there is a good process in place to garner public input on the things we need to do.

**Chair Kirkpatrick:**

Why are we going to give an incentive to a business that has made no commitment? That is what we are doing by extending the bond. Are there any hard commitments besides the Montecito? I do not know which project that is because that is the developer's name and not the name of the project. I want downtown North Las Vegas in three years to be just like any other downtown. We have been waiting 25 years. The businesses needed this and this, but I want them to do something first and then we will give them something.

**Gregory Rose:**

We are showing evidence that we are making strides. Montecito is a major project. It is located at Cheyenne and Civic Center Drive.

**Chair Kirkpatrick:**

Is that the Cheyenne Point Shopping Center?

**Gregory Rose:**

If this bill is approved you are making the commitment not only to the business community but also to the citizens in that area that must deal with blight on a daily basis. That is the commitment I would ask you focus on first. We are trying to make sure that we do a good job improving their quality of life. We think that through the addition of businesses, job creation, shopping, entertainment, and a safer community, we add to the quality of life. We are

doing our best to make a community that is safe and livable for all of our citizens.

**Chair Kirkpatrick:**

When are we doing something with all of these boarded up houses? Neighborhood Housing Services of Southern Nevada has tried to buy and redo some of them but the dollars are never there. Mr. Kihuen, this is your district, they have gotten an AM/PM, Church's Fried Chicken, a 7-11, and bunch of boarded up houses.

**Gregory Rose:**

The City Council has provided the redevelopment agency in excess of \$4 million over the past two years, which enables us to purchase and assemble property, board up houses, and tear them down. This is tedious, but we do that so we can have large parcels to encourage businesses to build offices or other small businesses. We did not have to do that with the Cheyenne Point Shopping Center because the private sector went through that process themselves. We only provided one parcel.

**Assemblyman Kihuen:**

I would like to recognize Councilman Eliason, who is one of my constituents. I lived in this area for a while, but now I am living on the Las Vegas side. I have walked that area for various campaigns for the last six years and those homes are boarded up. The number one issue in my district is probably crime. There are a lot of cars being stolen and homes being broken into. Assemblyman Mo Denis has been broken into twice in the past two months. When is something going to be done?

**Gregory Rose:**

Something is being done now. We did not get into this position in North Las Vegas overnight. The creation of blight, boarded up houses, and a crime rate higher than other places in the valley did not occur overnight. It is reasonable to believe that it will be addressed. We think we have a good plan and changes are occurring as we speak. I do not think it will happen completely in three years, but in three years there will be a significant difference in the look of our downtown area. I started this discussion telling you that we had a shotgun approach, which was ineffective; today it is more targeted. We know to which areas we will make significant improvements. Passage of this bill will simply enable us to do those things.

If it does not pass, we will struggle in the future as we do today because we will not have the funding to make those changes.

**Chair Kirkpatrick:**

I will let Councilman Eliason speak because this is his district.

**Robert Eliason, North Las Vegas City Council, Ward 1:**

This is a different management team than in the past. It is fair to say that we have commitment now that we never had before. In the Cheyenne Point Shopping Center, private investment was \$20 million with minimal investment from the city. The Regional Transportation Commission (RTC) has committed \$120 million for the North 5th corridor which goes right through the middle of this part of the city. That is already in design and has been approved at the RTC and city levels. We will have a super arterial which will have an incredible spin-off effect. We have approved that from Owens to Cheyenne and we have worked with the City of Las Vegas. I have worked with Mayor Oscar Goodman, Gary Reese [Mayor Pro Tem], and Lawrence Weekly because that corridor comes right off of Las Vegas Boulevard and feeds into North 5th Street.

I am not happy about the baby steps we have taken. I am a resident of this area, born and raised here. I am 44 years old. I am still seeing the decline, but if we do not get this extension, the opportunity for redevelopment is going to be closed for us. It is the bonding capability that opens or shuts our door. We only have 13 years of bonding capability and that will not allow any major projects. The extension will give us the bonding capability to do the things we need to do. The business community sat back and watched to see where the city was going and in the last three or four years we have shown that we are serious about redevelopment. They will testify about the improvements they are willing to make in the next three or four years. There is not a day that goes by that someone does not call or drop by to talk about another redevelopment project.

**Chair Kirkpatrick:**

Let us look at Rancho High School. For 35 years they were a North Las Vegas school. They built a brand new school, and they changed their perspective and address to Las Vegas. We keep trying, I want so see something soon.

**Robert Eliason:**

I agree that it cannot happen fast enough. The staff is ready to get things happening. I hope that I will be impressed in the next two to five years because of what has come through my doors at city hall.

**Assemblyman Kihuen:**

You mentioned the 5th Street arterial. Many of the people that live in that area are my constituents and they brought their concerns to me. Are you helping those people find other housing?



**Robert Eliason:**

Relocation is part of our job. Most of the residents have been willing sellers. Another tidbit of information: the redevelopment agency has acquired 27 or 28 properties in the last couple years and started the assembling process which is very time consuming. The homes along North 5th are being bought for the road expansion.

**Assemblyman Beers:**

One of the things that I noticed in the packet, and I agree with many of the Chairwoman's comments, it seems to be somewhat haphazard. The sheet with the redevelopment projects ([Exhibit J](#)) should have had full disclosure. Often when it appears that nothing is going on, there is something going on in the background, like the design phase. It would have been good to have some things here showing the behind the scenes work. It might not be a bad idea to think about adding a stick to the abatement carrots redevelopment proposals. If you are going to have private/public partnerships, you need to have something that encourages people to participate if they say they are going to participate.

**Chair Kirkpatrick:**

We need to put into downtown what those citizens have deserved for many years.

**Dean Leavitt, North Las Vegas Planning Commission:**

I am a lifelong resident of North Las Vegas. I recently had the pleasure of serving as the chairman on the Vision 2025 Committee. One of our seven vision elements is to create pivotal centers for development and redevelopment. Senate Bill 200 (R1) would help North Las Vegas achieve this. One of our goals is to fully redevelop the downtown North Las Vegas into a community focal point with amenities, attractions, and other features that promote and identify the unique qualities of North Las Vegas. This will also help us put forth our vision of mixed-use development and create an area that people would want to bring their families and friends, and that businesses want to be a part of. All of this activity will revitalize business development while strengthening our community pride and providing a quality residential environment.

**Chair Kirkpatrick:**

I served on the Planning Commission for four years, but Dean Leavitt is still there.

**Dean Leavitt:**

I lived in the mature part of North Las Vegas until my family got big enough to need a larger home. Not having any in the area, I moved further north. I have

deep ties to the mature part with family friends and relatives still there. I want to see the potential and opportunities developed.

**Sharon Powers, President, North Las Vegas Chamber of Commerce:**

I represent 900 business members that have an interest in North Las Vegas and the revitalization of the downtown area. The reason that the Chamber moved out of downtown was a business decision. We had a building that was too large, had no parking and a visibility issue. We are still in the city of North Las Vegas and it has been a good move for us and our members. The Chamber has always been committed to the revitalization of downtown. We have had our own frustrations over the past years with the direction of redevelopment. We have had many Chamber members who wanted to invest in the area, but without a clear direction, were reluctant to do so. Over the past few years we have seen unprecedented interest and businesses are making commitments and plans. We have monthly downtown investors' meetings. I would hate to see S.B. 200 (R1) not pass because of what has happened in the past. I ask that you not dwell on the past but rather what is happening now and in the future. The downtown area is going to be a part that North Las Vegas can be proud of and those that do not live in the area will visit.

**Chair Kirkpatrick:**

I know where the North Las Vegas Chamber is, you are in my district. I would not dwell on the past if I could see the vision that we are moving in a quick time frame. Is there something in the next few years that you know of that could make me feel more comfortable?

**Sharon Powers:**

I can only speak to what has come about from the downtown investors' meetings. Ground is being moved and permits are being pulled. I agree it has not happened soon enough because we spend a lot of time promoting the City of North Las Vegas. It would be a lot easier to talk about the great things happening in downtown North Las Vegas if we could point to something concrete. We are totally committed, and the development around Civic Center and Lake Mead and Cheyenne is happening now.

**Peter Demangus, Owner and General Manager, Jerry's Nugget:**

I strongly support the passage of Senate Bill 200 (R1). Jerry's Nugget has been a part of the North Las Vegas community for over 44 years. We always have been, and will continue to be, dedicated to significantly investing in the downtown North Las Vegas area. In the past year and a half, we have invested \$8 million in plant improvements, remodeling, and buying some blighted, contiguous properties. We are in negotiations with the City of North Las Vegas and have been talking with other businesses and stakeholders who are excited

about making North Las Vegas a place to be. Senate Bill 200 (R1) would enable the business community and our customers to enjoy a synergistic climate where people want to be. I have been involved with Jerry's Nugget about 14 years, and I have never seen interest in downtown North Las Vegas as it is now. This bill is critical for our community and all of the 495 employees and their families who live in the North Las Vegas area.

**Chair Kirkpatrick:**

What would you think if we put a sunset on this for two years, so next legislative session you could show us all of the things that the residents and the business community have gotten together to do? Would your commitment still stand?

**Peter Demangus:**

Absolutely. I encourage you, Madam Chair, to come visit when you are back in North Las Vegas and I would like to show you what we have done in the past year and a half.

**Chair Kirkpatrick:**

I have seen what you have done on the inside. I have not seen anything on the outside.

**Peter Demangus:**

I can show you the properties we have purchased and the beginnings of a master plan. The City of North Las Vegas is now successfully putting together and implementing a great redevelopment plan which is critical for us to make our master plan. What is critical to our master plan is infrastructure. In our most recent discussions with the City the things they have planned are going to make it efficient for our customers to get in and out of our property.

The RTC has committed to put in the arterial and that is huge for all of the businesses in that part North Las Vegas. A lot of good things are happening. I have been frustrated in the past and publicly stated that. People think that because we are a casino we make oodles and oodles of money which is not the case. We take the money we make and reinvest in the property. We have been waiting for the area to turn around, and I think it is starting.

**Joe Cain, Vice President and General Counsel, Silver Nugget Gaming:**

Our company recently purchased the Silver Nugget property and a couple of adjacent parcels. We control about 26 acres of land on the Las Vegas Strip in North Las Vegas. We are excited about the area. We closed on the transaction in January and we have been working with the redevelopment folks in the city ever since. They have included us in numerous meetings and we see a lot of

potential there. The people who bought the property across the street from us, which is about 30 acres, have some ambitious plans.

We did not purchase the Silver Nugget to keep it as is. It is an older property and definitely needs some work and hopefully within the next two years you will see significant changes. If the doors are not open to a new facility, we will be underway for a dramatically improved new product. I understand your frustrations, Madam Chair, but by not giving the City the tools it needs to provide the additional services and facilitate the things the redevelopment district is doing, it is going to make things worse. There is competition, there are choices that businesses have to make about where they want to locate and invest their dollars. The businesses that are considering investing money in downtown North Las Vegas appreciate the fact that the City is making a commitment, a development plan, and getting all of the investors together for these meetings. The City is creating excitement about the downtown area. It is an underserved area; the first Starbucks has just recently gone in. There are several factors in the overall business climate that contribute to the increased interest, such as increasing land prices in other parts of the valley, and population infill. We finally have the opportunity to have things happen.

The Silver Nugget has spent some money already, we have redone our bathrooms, bingo room, and events center. We are about to do some significant landscaping improvements, so we are into it about \$1 million and plan to spend another \$2 to \$3 million to clean it up. We look forward to a long and fruitful partnership with the City, and this bill goes a long way to empower the City to continue creating that synergy and snowball effect.

**Chair Kirkpatrick:**

I do not mind giving the City tools, as long as they use them. I have never been against redevelopment. It was Mr. Leavitt, Mr. Eliason, and I that spent our Saturdays downtown picking up trash and boarding up windows. I want the City to use the tools sooner than later.

**Kathleen Conaboy, representing National Association of Industrial and Office Properties (NAIOP), Southern Nevada Chapter:**

Of the 53 North American Chapters, this chapter is the fourth largest. We have nearly 800 members who are developers, owners, investors, and asset managers in industrial, office, and mixed-use commercial real estate. I am here in support of S.B. 200 (R1). The NAIOP supports the concept of revitalizing downtown North Las Vegas and sees S.B. 200 (R1) as a viable method to help achieve this goal. Passing S.B. 200 (R1) will enable the business community to work together to create a quality, signature downtown area.

**Chair Kirkpatrick:**

We have some very cute visitors.

**Assemblyman Settlemeyer:**

These are some members of the Pine Nut Christian School. They are some of my constituents. They are seeing what we all do up here. Since we do not have a Floor Session today could we make them feel welcome?

[Applause]

**Chair Kirkpatrick:**

Are there any questions or comments? Is there anyone who would like to speak in opposition to S.B. 200 (R1)?

**Terry Hickman, Executive Director, Nevada State Education Association:**

We are not opposed to S.B. 200 (R1), but we are concerned about the fact that we see more and more school property tax being abated. It is extremely important that future abatement programs, special development projects, what ever they may be, should not exempt the school property tax. We do not oppose that Senate Bill 200 (R1) seeks to have the tax abatement extended from 30 to 45 years, but the school tax will also be abated for 15 additional years. The school property tax should not be abated on any project. If S.B. 200 (R1) were to pass we would like the school property tax to begin in the 31st year.

We talked a few minutes ago with Senator Hardy and liked that he said that there should be a look at the global impact of abatements. We have looked at and testified on Senate Bill 437 (R1) and Senate Bill 567 about abatements. It is time to no longer exempt those properties from school taxes. We face a difficult situation with school financing and do not believe this practice should be continued.

**Chair Kirkpatrick:**

Senator Hardy and I will be having that discussion on Monday. We may call on you.

Is there anyone else who would like to speak on S.B. 200 (R1)? [There were none.] We will close the hearing on S.B. 200 (R1).

**Assemblyman Goicoechea:**

I would like introduce Gary Cordes Clerk of the City of Fallon.

**Chair Kirkpatrick:**

I would like to open the hearing on Senate Bill 352 (1st Reprint).

**Senate Bill 352 (1st Reprint): Requires the Southern Nevada Enterprise Community Advisory Board to develop a project to make certain improvements to infrastructure in and near the Southern Nevada Enterprise Community. (BDR S-1315)**

**Senator Steven Horsford, Clark County Senatorial District No. 4:**

I want to commend you, Madam Chair, for asking the difficult but important questions on these complex policy issues. I was not on the Committee on the Senate side, so we just had the opportunity to review the discussion on the Floor.

I am here on another, somewhat related bill. We are all working to address the issues of underserved, underdeveloped areas.

As you may recall this Committee unanimously passed Senate Bill No. 229 of the 73rd Session, which provides incentives through the Nevada Commission on Economic Development to eligible businesses to locate or expand in the federally designated Enterprise Community of Southern Nevada. The bill also provided the same types of incentives to other underrepresented business zones throughout Nevada, including rural communities. The bill was passed by both houses unanimously two years ago, but the regulations have not yet been developed. I have been assured that the regulations are coming. In the meantime, this bill seeks to address the issue of coordination and planning.

Senate Bill 352 (R1), as amended, creates an advisory board to coordinate the activities and resources provided by federal, state, and local municipalities to develop a plan to attract economic development to the Southern Nevada Enterprise Community. I would like to recognize Assemblyman Munford, who brought forward a resolution earlier this session on the need to promote economic development and to carry out the provisions that were passed in Senate Bill No. 229 of the 73rd Session. During the hearing on Assemblyman Munford's resolution in the Senate, the majority leader asked some important questions about why there is not more coordination among elected community leaders from the area. After working with the stakeholders from local government and the affected area, S.B. 352 (R1) was approved unanimously out of Committee and Senate.

I have two items; one is a proposed amendment, ([Exhibit K](#)) and a map showing the Southern Nevada Enterprise Community, ([Exhibit L](#)) and the census tracts within it. I appreciate the role that local governments have in dealing with local

planning issues. As elected State officials, we also have a role in supporting good planning and to address challenges to development that may occur. There is precedence for the state's role on these issues. The Legislature has authorized the development of the Regional Planning Authorities, had discussion about developing water authorities, approved flood control authorities, and sponsored other legislation that deals with regional planning; these have been approved by this Legislature as well as previous ones.

In addition, the state has a role in offering incentives, providing grants, and leveraging federal resources to address many of the local needs, such as affordable housing, economic development, and infrastructure like roads and schools.

The small map ([Exhibit L](#)), shows the 11 shaded census tracts and the census tract numbers that were approved in 1994 by President Bill Clinton. Enterprise Communities exist in 36 other states and this designation was approved for the areas that have the highest levels of unemployment, poverty, high school drop out rates, and a lack of residential and commercial development. Those are all criteria that were established by the federal government. There has been little, but some, progress in the area. There are still homes sinking because of soil contamination, earthquake fissures running through two large parcels that could otherwise be developed for affordable housing, retail, or commercial development. No private developer will develop because we have not addressed the infrastructure needs.

The Clark County School District was looking to site a high school and needed 40 acres. They looked throughout this entire area and disqualified 22 parcels because the land was not appropriate. If it is not appropriate for our children and schools, then it will definitely not be appropriate for residential and commercial development. So this bill will establish an advisory board to enact the Southern Nevada Enterprise Community Infrastructure Improvement Act.

The advisory board would consist of nine members, and the amendment I am proposing would clarify one of the members ([Exhibit K](#)). One member would be a representative from our Congressional delegation, and one would be a member of the Nevada Legislature who represents the community. Currently, Assemblyman Kihuen, Assemblyman Munford, and Assemblyman Arberry represent portions of this area and I am the State Senator. One member would be from the Clark County Board of Commissioners, one member from the Las Vegas City Council, one member from the North Las Vegas City Council, and two would be residents of the community recommended and selected jointly by the local municipalities. It would also include a representative of the private sector appointed by the Urban Chamber of Commerce, which represents the

area, and a representative of a nonprofit educational or faith based organization. Once the advisory board is established, they could appoint a chair and vice chair and the administrative support would be provided by the City of North Las Vegas, who currently oversees about two-thirds of this enterprise community.

The primary purpose of the advisory board would be to ensure that the needs and opinions of the residents of the community are effectively heard. The second purpose is to establish a plan before January 2008 that identifies what the challenges to development are and to provide recommendations to the local, state, and federal agencies, as well as to private and public agencies, on ways that we can all work to address implementation of the plan.

Once the plan is approved by the board it would be submitted for public review with at least 30 days notice and after the public review it would go to each of the local municipalities for review and adoption.

At the request of Senator Lee, the bill would require a report back from the advisory board to the 2009 Legislature, at which time I hope there would be a written plan approved and supported by local, state, and federal entities which would allow us to move forward in developing and showing progress.

The bill provides for the acceptance of gifts, grants, or donations. Last session, Senator Titus and I were successful in getting \$1.5 million included in the budget to address urban and rural blighted neighborhoods. There was money that went unused this last fiscal year because local agencies did not take full advantage of the dollar. This bill would allow the advisory board, once the plan is developed, to seek donations and grants to help carry out the process.

There is no fiscal note on the bill. The only provision of the unfunded mandate is because of the administrative support which would be provided by the City of North Las Vegas. I have a letter of support from Ray Clarke, ([Exhibit M](#)), who is the president and Chief Executive Officer of the Las Vegas-Clark County Urban League.

**Hannah Brown, Urban Chamber of Commerce:**

With the age and deterioration of the designated enterprise areas, the infrastructure is not in place to support the needs of persons needing those services the most. Section 8 speaks to developing a nine member advisory board consisting of a broad variety of community residents. There is a timeline in place to ensure that the board moves forward in a timely manner, and includes the community by holding public hearings. The Urban Chamber of Commerce is committed to the enterprise community. We met this morning with the City of Las Vegas in an effort to finalize our plans to start construction



of a building in the enterprise area. We have no intention of moving out of the area; our goal is to offer support and be a part of the enterprise community.

**Assemblyman Goicoechea:**

[To Senator Horsford] As I look at the bill, you are going to appoint the committee and then give them only five or six months, once the committee is going, to come up with a plan. Do you really think you can get it done by January 31, 2008?

**Senator Horsford:**

This area has been planned, studied, and reviewed so many times that there are some plans on the shelf that we could easily take and adapt into a comprehensive plan. To the point the Chair made earlier, sometimes we spend so much time studying and planning that we do not spend enough time acting. We have aggressive timelines, but there are so many issues and needs. The Urban Chamber of Commerce will be building its building; Cox Communications has headquarters that will be located in the enterprise community. There is a new FBI building, but we are still lacking private residential and commercial development. With the right stakeholders at the table we can get it done quickly and move on to carrying out the plan.

**Assemblyman Munford:**

I sometimes cannot find the words to express the joy that is in my heart about what is happening here. I hope it will turn into something productive for the community. Coming together as an organized, unified group has been a long time coming. I hope that I can play some part in getting this going.

**Chair Kirkpatrick:**

They will all be public meetings?

**Senator Horsford:**

It states on page 4, subsection 2(a) "Hold at least two public hearings on the written plan, each of which must be preceded by at least 30 days notice within the Community;" so there are opportunities for people to participate. I want to again thank Assemblyman Munford; he has been working on bringing forth a number of ideas and proposals. With everyone's leadership we will get something done.

**Assemblywoman Parnell:**

You are talking about a project which has a beginning and an end. I think the frustration on some of the redevelopment bills we have had is that there is nothing on paper. You will actually present something that says this area will be filled with teacher housing, this would be commercial, et cetera. I applaud

the language in the bill and the direct connection with what we are asking for in regard to the previous bill.

**Assemblywoman Womack:**

Are there any federal funds left or available to help fund this project?

**Senator Horsford:**

There are not allocated funds specifically for the enterprise community. There were dollars allocated for each enterprise community, and you see in the preamble, there were \$2.9 million. The plan should not cost a lot of money to develop. Any dollars available, beyond administrative, could be applied for through the Commission on Economic Development fund for blighted areas. It would fit within the intent of that allocation and be based upon the interest of private organizations like the Urban Chamber of Commerce to solicit funds. Once the plan is written there will be identified projects and some of them are basic infrastructure. You can develop on earthquake fissures, San Francisco has done it. We have to figure out what it requires, how much it costs, and then there are federal dollars through Housing and Urban Development, Health and Human Services, and the Economic Development Administration through the U.S. Department of Commerce that could be applied for once projects are identified. Nevada has not traditionally gone after those dollars. In my other capacity running Nevada Partners, we applied for a federal grant to help underwrite the cost of our building expansion and we received \$2 million from the Economic Development Administration. The Urban Chamber of Commerce is getting one as well. Those are the first \$2 million appropriations they have awarded in Nevada. We need to be able to pull in these dollars, but you cannot get them if you do not have projects.

**Chair Kirkpatrick:**

I received a couple of nasty emails from some North Las Vegas residents who said that we did not get permission from our local officials to do these things, and how dare we get involved. I think that everyone on this Committee, in each of their respective roles, is trying to work with local government because the residents are reaching out to anybody and everybody who will listen. I want to be a part of this board so we can work hand in hand with local government. There may be ways that we can help get federal dollars. I wanted to get on the record because I think the constituents who sent those emails may have been misinformed on what we were trying to do.

**Assemblywoman Parnell:**

Until you take a long look at the basic structural changes that need to be made in a neighborhood before people will be comfortable in accessing the businesses, the businesses will probably not stay open or thrive. This may be part of the missing discussion on some of the other bills, to start at point A and plan a long-term fiscal investment.

**Kimberly McDonald, MPA, State Legislative Affairs Officer, City of North Las Vegas:**

We support Senate Bill 352 (R1). In its original form we did have some concerns but they were addressed and removed. We have come to a compromise for the betterment of this area to identify the infrastructure needs. This bill is a good example of our partnership, trying to reach out to our state delegation, and plan better. We will do the administrative support because we think it will be negligible to the city.

**Ted Olivas, representing City of Las Vegas:**

The City of Las Vegas is in support of this bill.

**Sabra Smith-Newby, Intergovernmental Relations Director, Clark County:**

Clark County is also in favor of this legislation.

**Chair Kirkpatrick:**

Is there anyone who would like to speak in opposition to S.B. 352 (R1)? [There were none.] Is there anyone who is neutral? [There were none.]

Section 16 states that it becomes effective upon passage and approval.

ASSEMBLYMAN MUNFORD MOVED TO AMEND AND DO PASS  
SENATE BILL 352 (R1).

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMEN ATKINSON,  
CHRISTENSEN, AND CLABORN WERE ABSENT FOR THE VOTE.)

**Senator Horsford:**

Thank you, Madam Chair.

**Chair Kirkpatrick:**

Is there any public comment? [There was none.] Is there anything from the Committee? [There were none.] I have posted on my door and emailed the items that will be in work session Monday. We are starting at 8:00 a.m. all next week. We are adjourned. [11:48 a.m.]

RESPECTFULLY SUBMITTED:

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Emilie Reafs  
Committee Secretary

APPROVED BY:

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Assemblywoman Marilyn K. Kirkpatrick, Chair

DATE: \_\_\_\_\_

<b><u>EXHIBITS</u></b>			
<b>Committee Name: <u>Committee on Government Affairs</u></b>			
<b>Date: <u>May 4, 2007</u></b>		<b>Time of Meeting: <u>9:00 a.m.</u></b>	
<b>Bill</b>	<b>Exhibit</b>	<b>Witness / Agency</b>	<b>Description</b>
	A		Agenda
	B		Attendance Roster
S.B. 269 (R1)	C	Captain Scott Ryder	Prepared Statement
S.B. 269 (R1)	D	Colonel Michael Bartley	Prepared Statement
S.B. 269 (R1)	E	Rosanna Coombes, Interim Director, Truckee Meadows Regional Planning Agency	Handout
S.B. 269 (R1)	F	Rosanna Coombes, Interim Director, Truckee Meadows Regional Planning Agency	Handout
S.B. 374	G	Robert Joiner, AICP, Government Affairs Manager, City of Sparks	Proposed amendment
S.B. 200 (R1)	H	Kimberly McDonald, MPA, State Legislative Affairs Officer, City of North Las Vegas	Photos
S.B. 200 (R1)	I	Kimberly McDonald, MPA, State Legislative Affairs Officer, City of North Las Vegas	Presentation
S.B. 200 (R1)	J	Kimberly McDonald, MPA, State Legislative Affairs Officer, City of North Las Vegas	Redevelopment Projects
S.B. 352 (R1)	K	Senator Steven Horsford	Proposed amendment
S.B. 352 (R1)	L	Senator Steven Horsford	Map, Enterprise Community areas
S.B. 352 (R1)	M	Senator Steven Horsford	Letter of support