

Amendment No. 1032

Assembly Amendment to Senate Bill No. 234 First Reprint (BDR 28-490)

Proposed by: Assemblywoman Kirkpatrick**Amendment Box:** Consistent with Amendment No. 900
Replaces Amendment No. 1008**Amends:** Summary: Yes Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

ASSEMBLY ACTION		Initial and Date		SENATE ACTION		Initial and Date	
Adopted	☐	Lost	☐	Adopted	☐	Lost	☐
Concurred In	☐	Not	☐	Concurred In	☐	Not	☐
Receded	☐	Not	☐	Receded	☐	Not	☐

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) **green bold** is newly added transitory language.

MSM



Date: 5/25/2007

S.B. No. 234—Provides exception to competitive bidding procedures for certain contracts relating to redevelopment areas. (BDR 28-490)



SENATE BILL NO. 234—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE CITY OF LAS VEGAS)

MARCH 7, 2007

Referred to Committee on Government Affairs

SUMMARY—~~Provides exception to competitive bidding procedures for certain contracts relating to redevelopment areas. (BDR 28 490)~~
Revises provisions governing the division of the proceeds of certain taxes. (BDR 22-490)

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 works; exempting contracts for certain projects within redevelopment areas from procedures for competitive bidding;~~
redevelopment; providing that the proceeds of taxes which are levied by or for the benefit of a school district must be excluded from certain calculations used to determine the revenue that is allocable to a redevelopment agency from the imposition of certain taxes; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

~~Existing law requires that contracts for public works projects be awarded through procedures for competitive bidding. (NRS 338.1373-338.148) Existing law authorizes public bodies to redevelop blighted areas. (Chapter 279 of NRS) This bill exempts contracts for certain public improvement projects from procedures for competitive bidding. The projects exempted are those: (1) constructed within a redevelopment area by a private developer for the benefit of a private development that consists of one or more buildings for which the estimated cost is \$45 million or more; (2) that a legislative body has determined, at a public hearing, directly benefit a redevelopment area, promote efficiency, coordination and economy in design and construction, and mitigate any adverse effect upon the redevelopment area that is caused by the private development; (3) that are adjacent or appurtenant to the private development; and (4) for which the developer will receive monetary compensation from a public body as reimbursement for a portion of the costs of the project. This bill also provides that such contracts are subject to the prevailing wage requirements of chapter 338 of NRS.]~~

Under existing law, a redevelopment plan may contain a provision for the allocation of a certain portion of the proceeds of certain ad valorem taxes to a redevelopment agency. (NRS 279.386, 279.674-279.685) This bill provides that, in the calculations prescribed to determine the amount of levied taxes that are allocable to a redevelopment agency, taxes that are levied by or for the benefit of a school district must be excluded.

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

Delete existing sections 1 through 8 of this bill and replace with the following new sections 1 through 4:

Section 1. NRS 279.676 is hereby amended to read as follows:

279.676 1. Any redevelopment plan may contain a provision that taxes, if any, levied upon taxable property in the redevelopment area each year by or for the benefit of the State, any city, county, district or other public corporation, after the effective date of the ordinance approving the redevelopment plan, must be divided as follows:

(a) That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in the redevelopment area as shown upon the assessment roll used in connection with the taxation of the property by the taxing agency, last equalized before the effective date of the ordinance, must be allocated to and when collected must be paid into the funds of the respective taxing agencies as taxes by or for such taxing agencies on all other property are paid. To allocate taxes levied by or for any taxing agency or agencies which did not include the territory in a redevelopment area on the effective date of the ordinance but to which the territory has been annexed or otherwise included after the effective date, the assessment roll of the county last equalized on the effective date of the ordinance must be used in determining the assessed valuation of the taxable property in the redevelopment area on the effective date. If property which was shown on the assessment roll used to determine the amount of taxes allocated to the taxing agencies is transferred to the State and becomes exempt from taxation, the assessed valuation of the exempt property as shown on the assessment roll last equalized before the date on which the property was transferred to the State must be subtracted from the assessed valuation used to determine the amount of revenue allocated to the taxing agencies.

(b) Except as otherwise provided in paragraphs (c) and (d) and NRS 540A.265, that portion of the levied taxes each year in excess of the amount set forth in paragraph (a) must be allocated to and when collected must be paid into a special fund of the redevelopment agency to pay the costs of redevelopment and to pay the principal of and interest on loans, money advanced to, or indebtedness, whether funded, refunded, assumed, or otherwise, incurred by the redevelopment agency to finance or refinance, in whole or in part, redevelopment. Unless the total assessed valuation of the taxable property in a redevelopment area exceeds the total assessed value of the taxable property in the redevelopment area as shown by the assessment roll last equalized before the effective date of the ordinance approving the redevelopment plan, less the assessed valuation of any exempt property subtracted pursuant to paragraph (a), all of the taxes levied and collected upon the taxable property in the redevelopment area must be paid into the funds of the respective taxing agencies. When the redevelopment plan is terminated pursuant to the provisions of NRS 279.438 and 279.439 and all loans, advances and indebtedness, if any, and interest thereon, have been paid, all money thereafter received from taxes upon the taxable property in the redevelopment area must be paid into the funds of the respective taxing agencies as taxes on all other property are paid.

(c) That portion of the taxes in excess of the amount set forth in paragraph (a) that is attributable to a tax rate levied by a taxing agency to produce revenues in an amount sufficient to make annual repayments of the principal of, and the interest

on, any bonded indebtedness that was approved by the voters of the taxing agency on or after November 5, 1996, must be allocated to and when collected must be paid into the debt service fund of that taxing agency.

(d) That portion of the taxes in excess of the amount set forth in paragraph (a) that is attributable to a new or increased tax rate levied by a taxing agency and was approved by the voters of the taxing agency on or after November 5, 1996, must be allocated to and when collected must be paid into the appropriate fund of the taxing agency.

(e) The calculations set forth in paragraphs (a) to (d), inclusive, for the division of the proceeds of taxes must exclude the proceeds of any taxes levied by or for the benefit of a school district.

2. Except as otherwise provided in subsection 3, in any fiscal year, the total revenue paid to a redevelopment agency must not exceed:

(a) In a municipality whose population is 100,000 or more, an amount equal to the combined tax rates of the taxing agencies for that fiscal year multiplied by 10 percent of the total assessed valuation of the municipality.

(b) In a municipality whose population is 25,000 or more but less than 100,000, an amount equal to the combined tax rates of the taxing agencies for that fiscal year multiplied by 15 percent of the total assessed valuation of the municipality.

(c) In a municipality whose population is less than 25,000, an amount equal to the combined tax rates of the taxing agencies for that fiscal year multiplied by 20 percent of the total assessed valuation of the municipality.

➤ If the revenue paid to a redevelopment agency must be limited pursuant to paragraph (a), (b) or (c) and the redevelopment agency has more than one redevelopment area, the redevelopment agency shall determine the allocation to each area. Any revenue which would be allocated to a redevelopment agency but for the provisions of this section must be paid into the funds of the respective taxing agencies.

3. The taxing agencies shall continue to pay to a redevelopment agency any amount which was being paid before July 1, 1987, and in anticipation of which the agency became obligated before July 1, 1987, to repay any bond, loan, money advanced or any other indebtedness, whether funded, refunded, assumed or otherwise incurred.

4. For the purposes of this section, the assessment roll last equalized before the effective date of the ordinance approving the redevelopment plan is the assessment roll in existence on March 15 immediately preceding the effective date of the ordinance.

Sec. 2. Except as otherwise provided in section 3 of this act, the provisions of NRS 279.676, as amended by section 1 of this act, apply with respect to the division of taxes, or the proceeds of taxes, pursuant to or in connection with a redevelopment plan that is adopted on or after July 1, 2007.

Sec. 3. 1. The provisions of NRS 279.676, as amended by section 1 of this act, do not apply to modify, directly or indirectly, any taxes levied or revenues pledged in such a manner as to impair adversely any outstanding obligations of a community or redevelopment agency, including, without limitation, bonds, medium-term financing, letters of credit and any other financial obligation, until all such obligations have been discharged in full or provision for their payment and redemption has been fully made.

2. As used in this section:

(a) "Community" has the meaning ascribed to it in NRS 279.392.

(b) "Redevelopment agency" has the meaning ascribed to the term "agency" in NRS 279.386.

1 **Sec. 4. This act becomes effective on July 1, 2007.**

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