

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

**Seventy-Fifth Session
March 12, 2009**

The Committee on Government Affairs was called to order by Chair Marilyn K. Kirkpatrick at 9:11 a.m. on Thursday, March 12, 2009, 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/75th2009/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; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblywoman Marilyn K. Kirkpatrick, Chair
Assemblyman David P. Bobzien, Vice Chair
Assemblyman Paul Aizley
Assemblyman Kelvin Atkinson
Assemblyman Jerry D. Claborn
Assemblyman Ed A. Goedhart
Assemblywoman April Mastroluca
Assemblyman Harvey J. Munford
Assemblywoman Peggy Pierce
Assemblyman James A. Settlemeyer
Assemblywoman Ellen B. Spiegel
Assemblyman Lynn D. Stewart
Assemblywoman Melissa Woodbury

COMMITTEE MEMBERS ABSENT:

Assemblyman Chad Christensen (excused)

GUEST LEGISLATORS PRESENT:

Assemblywoman Debbie Smith, Washoe County Assembly
District No. 30

STAFF MEMBERS PRESENT:

Susan Scholley, Committee Policy Analyst
Scott McKenna, Committee Counsel
Cheryl Williams, Committee Secretary
Olivia Lloyd, Committee Assistant
Cyndie Carter, Committee Manager

OTHERS PRESENT:

Mark G. Stanton, Assistant Superintendent, Capital Projects
and Facilities Management, Washoe County School District,
Reno, Nevada
Nicole Rourke, Director, Intergovernmental Relations, Clark County School
District, Las Vegas, Nevada
Linda K. Perri, Director, Real Property Management, Clark County School
District, Las Vegas, Nevada
Madelyn Shipman, Reno, Nevada, representing the Southern Nevada
Home Builders Association, Las Vegas, Nevada
Jay Parmer, representing the Builders Association of Northern Nevada,
Reno, Nevada
Jesse Haw, President, Hawco Properties, Reno, Nevada

Chair Kirkpatrick:

[Roll taken.] We will begin with Assembly Bill 220.

Assembly Bill 220: Makes various changes regarding the purchase of property
for school construction. (BDR 22-551)

Assemblywoman Debbie Smith, Washoe County Assembly District No. 30:

Assembly Bill 220 is simple little bill that seems to have generated quite a lot of
interest and some big amendments. I am going to give you the concept and the
reason behind the bill and let Mr. Stanton from the Washoe County School
District talk about the details. I know that you have some pretty substantial
amendments. I would like to ask that we continue to work these amendments
out. There is no question that we can come to a resolution. We just want to
make sure that we get the groups together and figure it all out.

The Washoe County Schools Construction and Revitalization Advisory Committee was created from the last Legislature and met during the interim. The Committee was assigned to work on a funding mechanism that would enable the Washoe County School District to fund school construction, and it was primarily to raise funds to renovate and modernize the older schools. Unfortunately, when the school facilities question was placed on the November ballot, it failed. So the district is back in the same hole as it has been in the past. You may know that Washoe County School District does not have the same ability to raise construction dollars through funding mechanisms that the other districts have, especially Clark County. We were looking for some relief with the passing of the ballot measure, and it did not happen.

In that conversation, we also talked about policy changes we could make that would help this district and other districts with the school construction issue. This is how A.B. 220 came to pass. Right now it is probably a moot issue because of the economy and property values either flattening or declining, but in the past, when property values were escalating so rapidly, the district would get in the position where, by the time it purchased a school site in a new development, the property's price would have escalated so much that it was very onerous on the district. So the concept was that you could freeze the price at some point—which in this bill is the tentative map point—to save the district that growth in cost over time. Mr. Stanton will be able to talk about this more technically than I can.

Yesterday I spoke with one of the developers who served on the committee and helped come up with this idea. He said to me, "When you are developing subdivision property, the first thing people say when they come into the model home or your office is, where will my kids go to school?" A school really does anchor a subdivision. The school site is a very important piece of that development. Consequently, we wanted to try to do something that would help the district in that process, and be ready once the economy rebounds and land prices start going up. I think we are all confident that will happen again, if not to the degree that we saw in past years. This is a policy change that would be beneficial in the big picture and not be detrimental to the developer because, again, those school sites are really the anchors in those communities. I am going to let Mark Stanton with the school district talk about the concept of the bill and how it would work. I know people are coming forward with amendments. If it is all right, Madam Chair, I need to go back to my committee. I would like to let the conversation continue, and we will work out the details and come up with an amendment that everyone can live with.

Chair Kirkpatrick:

Okay. Does anyone have any questions for Ms. Smith? [There were none.]

Assemblywoman Smith:

Thank you. I appreciate your indulgence.

Chair Kirkpatrick:

Good morning, Mr. Stanton.

Mark G. Stanton, Assistant Superintendent, Capital Projects and Facilities Management, Washoe County School District, Reno, Nevada:

We are very encouraged by this bill, even with its amendments. This bill is addressing some of the challenges that we face with *Nevada Revised Statutes* (NRS) Chapter 278 and the language in that chapter for our long-range facility planning goals. For us in northern Nevada, the current language kind of boxes us in terms of our long-range decision making and financial investments in properties. I know it may not be quite as true for southern Nevada because we have not experienced the rapid growth over the last ten years that southern Nevada has.

The way the language is currently written is that when a developer has submitted a development plan for review, it comes to us. We then assess if the school sites are needed in that area to serve all of the development that is coming into the area. We have not had any problem with making those recommendations and carving out the sites. However, what we have found is that obviously the property is at the best price at that point in time because there has not been development. In fact, often the developer can work into their business plan the fact that they sold it to you at a reduced value and then recuperate some of that loss through their home prices.

The dilemma we face is the ten-year sunset on the purchase of that property. Once we have bought the property, in ten years the law requires us to offer to sell it back to the developer. What we have found in a number of cases, and I have one example to share with you, is that the development phasing slows and we do not need the school there within that ten-year window of time. Consequently, we face the chance of losing that site and then having to purchase another site, if one is even available, at the fair market value at that time, ten years later. So it significantly increases the cost that we would have to pay. That is the first condition.

The second condition—and this is what we would normally do—is we would not buy the site immediately, because we recognize that ten-year window. So we would wait maybe five years out when we know we are going to need the school site in another five or six years, and purchase it at that time. That way we do not run the risk of losing the site, but the property price has escalated

over that five-year period, and now we are paying probably two or three times more for the site than if we had purchased it at the time of the development.

Those two conditions kind of boxed us in for planning purposes. During the last ten-year period we have found that when we did wait, we did have to pay considerably more money for that property because the fair market value had increased due to the development and growth in the region.

Also, we are in the process of having to offer back to a developer a 22-acre middle school site in our North Valleys region because the ten-year window is approaching.

We are very excited about this bill. We feel that, even as the amendments roll through, it is going to focus on the problem that we have, and we are very encouraged by that.

We would also like to acknowledge the work that the Northern Nevada Builders Association has put into this process recognizing the dilemma that we face and working with us to write this bill.

Chair Kirkpatrick:

Does anyone have any questions?

Assemblyman Settlemeyer:

I understand the concept; you are stating that when the development starts, you are basically getting an option to say, "Okay, in five years we will think about purchasing the site." That is what I am getting. Sometimes you delay purchase, but the price is set back to that day. My question is, are you asking to go to 15 years before it would revert back? Where does the 15-year date start? Does it start on the same day that your option started?

Mark Stanton:

It would be from the time that the development map is approved. If within the 15 years, it is found that a school site would not be needed on that site, we would revert it back to the developer, but if it is found that we may need it in five years, that would extend out to the end of the five years.

Assemblyman Settlemeyer:

This, then, is only for school construction that is used by the school district for a site for an actual school. I worry that if you use the land for a purpose like a school bus yard, that may not have the same draw to the developer or to the community.

Mark Stanton:

The language is recommended to be amended so that it is specific to a school site.

Assemblyman Settlemeyer:

Okay.

Assemblyman Aizley:

I think I know the answer from the discussion, but the way I interpreted this is that after ten years you have to offer the property back to the developer, but not if there is a school on the site.

Mark Stanton:

That is correct. If the school is there, then Washoe County owns the land.

Assemblyman Aizley:

The word "map" is being used, and obviously in this context a map is not what we normally think of as a map. So in the construction of a school, what is the map? Do you have to put in the building site, the land, the utilities, every part of what is going to happen? Is that in this map?

Mark Stanton:

No, sir, the development map is simply showing the parcels and how the designation of the use of those parcels will be, by way of zoning. So, in this case it would be for a public facility, which would be a school, and we do not need to show the details.

Assemblyman Aizley:

Okay, thank you.

Assemblyman Bobzien:

I am trying to get a handle on how this plays out in Washoe County and what we are looking at right now, given the situation with the construction industry and building. Do we have any properties that the school district is facing where we are upside down? Or does this dynamic go the other way? In other words, do we have examples where the value of the land is actually less now than what it was at the time of the tentative map approval?

Mark Stanton:

Fortunately, we are not upside down currently with any properties. We have one piece of property that we purchased three years ago where we would face that situation if prices continue to decline or do not come back up in seven years.

Assemblywoman Spiegel:

I am not sure if you will be able to answer this, but I am wondering about the land uses. I am guessing that when you buy the land it is already zoned as public/semi-public? If the land reverts back to the developer, will it stay public/semi-public for zoning purposes, and then is it valued at that rate? Or, at the same time, is it possible for there to be a zoning change and another use put in?

Mark Stanton:

The developer would be required to go back and get a zone change. However, it might be in our best interests to get that zoning changed beforehand, which increases the value of the property.

Assemblywoman Spiegel:

Okay, thank you.

Assemblyman Bobzien:

My colleague's question got me thinking. I am trying to understand if the use of the land is no longer going to be a school, what would you use it for? The concern that I have, as the bill sponsor presented it, is that when someone is looking at purchasing a home in a housing development, they are asking, where is the school going to be? I am trying to picture a scenario where you decide, okay, we are not going to put a school there. What would you put there on that land?

Mark Stanton:

From the district's standpoint, obviously, from being involved in a community, a bus-type facility would not be something we would put in the middle of a residential area for a number of reasons. One is that we need bus facilities on or close to arterials.

Secondly, if we were to convert the site to some other use, it might be for administrative building purposes. But in Washoe County we have not had the opportunity to build support facilities, and we would most likely offer the site back because we have no other use for it.

Assemblyman Bobzien:

I am just questioning why, then, the bill has to say that you have a change of use. I appreciate that the school district has administrative needs for land, but again, relative to the surrounding communities, similar to the bus facility, it may not be compatible with development. I do not know if an administrative building would make that much of a contribution to the surrounding community as well. So I have a bit of a question as to why we have that.

Chair Kirkpatrick:

Does anyone else have any questions? I have a couple of questions. It seems that the problem comes or revolves around the tentative map, but honestly, why would the school district want to buy land within a home development and not develop it? I thought that before you go to the planning commission, there is a questionnaire that asks, will this development impact your facility? This is 20 acres, and I know there is a formula for how many kids will be using that facility. But within ten years, the demographics of the kids change. There are no longer 125 kindergartners; there are 300 middle school kids. The whole neighborhood could change in that ten years. I am wondering how that works.

Mark Stanton:

We have found that a vast majority of the time, even after a development map has been approved, the developers will come back in and change the zone use, or the use of the property, which may affect the demographics or the student-yield factors. For example, the developer might increase multifamily housing in apartments, which is fewer kids per unit, but for the acreage it is quite a bit more than single family residential. So there is a constant change in the potential student-yield of the property.

Secondly, when we review their development map, developers will have a business plan as to how long it will take for them to build out their development, so we use those parameters in establishing when we are going to build the school there. If the development slows down or the build-out plan changes, the need for the school may be delayed for a couple of years.

Again, in Washoe County it is not like southern Nevada, where things are moving quickly. We have to assess our needs for schools on an annual basis at specific sites. In fact we were planning to start construction of an elementary school within six months, but we have now delayed that two years. We will not build a school if our projections show there is going to be a slowdown and we will not be able to have that school at least at 70 percent capacity at the time it opens, because we have needs for those funds in other areas. For example, we would rather put funds into school modernization at that time.

Again, the bill refines us because of the growth and the size of Washoe County, and that is why we would like to look for some change in the language.

Chair Kirkpatrick:

If the tentative maps are extended for four years, does that give you any flexibility to make your process go further?

Mark Stanton:

If the tentative map is being extended four years, I would presume it is because the growth has slowed down, and that they need their approvals of that map extended because the development is going to take longer to build out. So if the development has been delayed four years, most likely the need for that school has been delayed four years also.

Chair Kirkpatrick:

Currently, if the tentative map expires in a short time, then you have a better idea how that development is going to come about. But if it gets extended, there might be a need for the 15 years, because we are meeting everyone in the middle.

Mark Stanton:

That is correct.

Chair Kirkpatrick:

I do not know how it works in Washoe County, but I would think that when you are zoned for this use specifically for a school within a residential area, you could not change the zoning if you wanted to install a bus yard or administrative building, right?

Mark Stanton:

We would have to get the zoning changed for that particular type of use of the facility; even though it is a public facility, it is still a change in the use. It is highly doubtful it would get through the planning department.

Chair Kirkpatrick:

Okay, I was a little concerned about the site. Does anyone else have any questions? [There were none.] Everyone is signed in supporting this bill, but there are a bunch of amendments, so I would like you all to be neutral so that we can go through the amendments one at a time.

Is there anybody here who wants to come up and loves the bill exactly the way it is written? [There were none.] Is there anyone opposed to the bill the way it is written? [There were none.] Is there anyone who is neutral on the bill and

would like to testify? I have three seats, so all of you who are neutral on the bill and would like to talk about your amendments, please come forward.

Nicole Rourke, Director, Intergovernmental Relations, Clark County School District, Las Vegas, Nevada:

I would like to call up our Director of Real Property Management in Las Vegas, Linda Perri. She is our expert in this area and can explain our amendment ([Exhibit C](#)) as well as our position on this bill.

Linda K. Perri, Director, Real Property Management, Clark County School District, Las Vegas, Nevada:

We support the bill with a few minor changes. Most of the changes are within subsection 1. All we are asking is that once the map has been submitted, that it is certain to be forwarded over to the district so that we have an opportunity to review that tentative map.

Chair Kirkpatrick:

We have a stack of amendments and I want to make sure that we have the right one. Your amendment is the one from Clark County School District, correct?

Linda Perri:

Correct. Subsection 1 is amended to state "...upon submission of the tentative map, forward a copy of the tentative map within ten calendar days of receipt to the board of trustees of the school district within which the proposed subdivision is located." That is pretty much our amendment request to be included. This will help make it possible for the school district to work with the developers in the forefront instead of coming in at a later date behind the curve. It will also help create a more sustainable and walkable community since we will be partnering with the developers. This will fulfill their needs as well as the needs of the community as a whole.

Chair Kirkpatrick:

In the first subsection it looks like you are simply adding that you want the governing body to forward a copy of the tentative map upon the maps' submission. Currently, how do you get the map, and how does this change or expedite the process?

Linda Perri:

Basically, it is assurance that we will receive the map. I think the question that was raised about the bill is that it does not give a clear time frame. Is it after the map has been scheduled for the planning commission? Is it after it goes to

the town board or some type of hearing? We just want to make sure that we get a look at the map before it is scheduled for any planning commission or other kind of hearing.

Chair Kirkpatrick:

Let me ask you this question, because I do not think this amendment is any clearer. Are you trying to make sure that you receive the map as soon as the tentative map leaves the planning commission or goes before the city council? The planning commission or city council is really the final place that the tentative map goes, right?

Linda Perri:

Correct. What we are asking for is, once the applicant has made application to the governing body for the tentative map, we would like the governing body to forward us that map within 10 days, because we have 15 days to respond. We want to make sure that we actually get the map within that time frame.

Chair Kirkpatrick:

I thought that before the map goes to the planning commission, there is a piece of paper in each planning commissioners' packet that states, whether or not the school district responded. I am trying to understand where the disconnect is. As a former planning commissioner, I can tell you that we always looked to see if the Clark County School District had responded. Sometimes the district did not, but they got better. Where is the disconnect? I thought that the district was always notified. If one or two local governments are not doing it, I am sure we can ask them to come to the table and find out where the disconnect is. Your amendment does not make it any clearer than it is now. Maybe you want to get the tentative map when the developers submit it, because then it is four weeks before it appears on the agenda. If you are trying to get it sooner, I do not know if your amendment makes that clear.

Linda Perri:

The way the bill was originally written, it said the clerk or other designated representative of the governing body shall forward a copy of the tentative map. Yes, they should be forwarding a copy of the tentative map to the district so that we can give our comments. Sometimes in the past, that has not happened. So when we watch the agendas and the tentative map comes before the governing body, this is the time that the district has to step in and say, hold it; we have not had the opportunity to comment on the map.

We just want to make sure that when the applicant makes application to the governing body and submits the tentative map, the district gets to see the map within that time frame, and to ensure that they forward the map to us within

that time frame. We would know that they have a 10-day period to get us the map, because we only have the 15 days to respond to their comments. It is more or less a clarification.

Chair Kirkpatrick:

I am not disputing that, and I am not an attorney, but I do not think that your amendment makes it any clearer. If you want to say "at the time of application," then it would be very clear that at the time of application the school districts involved should receive something within ten days. I think that would be fair because if I remember correctly, the developers paid for everyone to get a copy of the tentative map. If the disconnect is within the local government entity, then ... I am trying to help you out. It should say that the governing body shall at the time of application forward a copy of the proposed tentative map, because there is no guarantee that that map is going to be approved. It will change based on what happens; do you see what I am saying? In a best-case scenario, a tentative map is not rubber stamped, but it moves pretty quickly. A lot of times landscaping and units per acre change. I have seen a map go from 220 units down to 90 units. I am trying to figure out how to help you get your best and correct information in a timely manner.

Linda Perri:

I think if we changed "submission" to "application" that would help.

Chair Kirkpatrick:

Does anyone else have any questions?

Assemblyman Settelmeyer:

In subsection 2, it says "or any other case as determined by the school district." I am a little concerned with the concept as determined by the "school district." Who is the school district? The school board? The trustees? Who are you referencing as the school district in subsection 2?

Linda Perri:

That would be the school board of trustees.

Chair Kirkpatrick:

We are trying to make it very clear for the bill sponsor so that the Committee's and others' concerns are addressed, so when you go to a working group, it is clear what the intent is. Does anyone else have any questions?

Assemblyman Stewart:

If I am not mistaken, in some cases in Clark County the developer has actually donated land for schools. Is that correct?

Linda Perri:

When a developer comes in and works on a major project, at that time they will donate some land. The donation would be through a development agreement with the governing body. Within that development agreement they will set aside some school sites that will be conveyed over to the district at certain trigger points such as how many building permits are pulled.

Assemblyman Stewart:

Will this bill have any effect on the parcel if the developers donated the land, and then it was decided that a school was not needed?

Linda Perri

The parcels are not donated or conveyed over to the school district until the developer has enough units to warrant the need. We also do not look at that donated parcel just for that development. It has to take in the surrounding areas also. Could we lose the parcel if the development does not go through? Yes, because it has not yet been conveyed over to the school district. We do not know exactly what piece of donated land we are looking at unless the developer has parceled it.

Assemblyman Stewart:

Then this bill would have no impact on land that was donated. Is that correct?

Linda Perri:

That is correct.

Chair Kirkpatrick:

What is a subdivider? It seems like an odd word to me that I have not seen in statute before. I know that Legal did it initially. What does it mean to you?

Linda Perri:

I believe the subdivider would be the actual developer who is coming in and developing that parcel. I believe that was changed in the language from the original amendment put forth from Washoe County. So the subdivider would be the person who starts developing or subdividing the property.

Chair Kirkpatrick:

I wanted to make sure we were on the same page with that word. Does anyone else have any other questions?

Assemblywoman Mastroluca:

Just to make sure that I understand, since this amendment is 1 of 17, the only amendment that Clark County School District (CCSD) is proposing is in subsection 1, correct?

Nicole Rourke:

Correct. The only portion in subsection 2 that the school district changed was to add "as determined." "Or any other use by the school district" was the original language of the bill, and "as determined" was added in our amendment.

Assemblywoman Mastroluca:

What was the reason for "as determined?"

Nicole Rourke:

I will let Ms. Perri answer that question.

Linda Perri:

We wanted to make sure that educational services for the school district were needed. I think it harks back to the earlier discussion about the type of use going on the property. We in Clark County are very cognizant that we would not want to put a bus yard within a development, but there might be other educational services, meaning some type of other school use needed within that area that would benefit the school district. So, if it was not a regular K-12 school, it might be a behavioral school or an achievement center or something of that sort, but it would still be for school use.

Chair Kirkpatrick:

I have one more question. Can you explain to us why you took out the time frame for the map? You never want to offer it back? Fifteen years is not in your amendment. The ten years is crossed out, but I do not see another spot where you put it back in.

Nicole Rourke:

That amendment and that change was not made by the school district; I believe it was already done by Washoe County.

Linda Perri:

Madam Chair, that strike out was in the original bill.

Chair Kirkpatrick:

I know, but in the original bill the strike out was taken out and put back in, so I guess you are in favor of never having to offer the property back, because I thought that the superintendent from Washoe County said that they would rather have the extra time frame, because currently they have to do it in ten years. This is why I asked about the tentative map. So is it the position of all school districts that you do not want any time frame in the bill? Do you know, or is it just for Clark County?

Nicole Rourke:

We would be happy to work that out with the people. We do not have a strong position on that.

Assemblywoman Spiegel:

Following up on the question that Mr. Stewart asked previously, I am not familiar with what "parceling out" means, and I was wondering if you could clarify that. Say a piece of land donated by developers was designed as a school site, put on a map, and zoned for a school. I do not know if that counts as being parceled out, but what if down the road the school district determines that the site is not needed for a school. Would the donated land then be sold, and would the school district get the money, and the developer receive nothing?

Linda Perri:

When the developers come in with an entire land use plan, say it is for 1,700 acres, they may not have subdivided the property to know exactly what parcel the district would get for a school. They may have an idea of an area when they do their land use plan, and that you will get five school sites within the development. So they have school sites on an overall map, but that map has not been subdivided. We know the general location of those five school sites, but they have not been conveyed over to the school district yet because they need an actual parcel to convey. But we have a master plan showing where the schools tentatively are going to go, and once the development starts, they start working on their maps and breaking down what parcels will be set aside for the school district. The parcels could move around a bit within that master development, but we would still get our five school sites. Once we have determined where those sites will go, then the developer will convey the land over to the school district.

Chair Kirkpatrick:

Is it fair, Ms. Perri, to say that typically there is a development agreement between the local government and the Clark County School District based on the amount of land use, and you are in conversation. So I think, Ms. Spiegel that the school district is not losing or gaining anything until the plan is built out. Is that how it works?

Linda Perri:

That is correct.

Chair Kirkpatrick:

Then an elementary school requires so many acres, and so does a high school as well as a middle school; they are all very different. The only problem is if the soils are not correct or the draining system does not work, and then you do go back with the developer and work with them to make sure that everything is right. Is that kind of how it works?

Linda Perri:

Correct.

Assemblyman Stewart:

In Henderson, we have had communities planned and, of course, we had the school bond issue that was cancelled. A developer might come in and have five sites and then, because of the economic times, they cut back and do not develop the full area. Or perhaps the school was planned based on that development and the development coming in next to it, and then that was cancelled. Is there a time frame during which those proposed school sites would revert back to the developer because of the cancellation or the reduction of the size of the development? I think Ms. Spiegel and I are still struggling with that.

Chair Kirkpatrick:

Maybe we could let Ms. Shipman answer that question, because that is one of the key pieces of why we heard the bill earlier in session about extending the tentative map.

Madelyn Shipman, Reno, Nevada, representing the Southern Nevada Home Builders Association, Las Vegas, Nevada:

In answer to Mr. Stewart's and Ms. Spiegel's questions about dedicated property, it is all going to depend on what is in the deed of dedication. So when that property is turned over to the school district, even if it is on a delayed basis based on a development agreement, if the language in the deed has a reversion to the developer, it would then require that the land, if it is not

needed for school purposes, would revert back to the developer. If the deed does not include that language, the school district would basically own the property and be able to do whatever it is otherwise allowed to do under law in terms of disposing of unneeded property. I hope that answers the question. Dedicated property is not subject to this particular law; it is based upon the other provisions that are referred to in this law in terms of disposal, and also the deed itself. The language of the deed would control, and if a builder chose, for instance, to have a ten-year timeline, he has to use it or lose it. Then they put that provision in the deed itself, so that there is a reversion.

Chair Kirkpatrick:
Does that help?

Assemblywoman Spiegel:
Yes.

Chair Kirkpatrick:
Does anyone else have any questions for Ms. Perri? Thank you very much.

We will start with Ms. Shipman's amendment ([Exhibit D](#)).

Madelyn Shipman:
Your 24-hour rule got us putting in several amendments, but they are really not very different. The proposal that you have is a combination of the Southern Nevada Home Builders Association (SNHBA) and Builders Association of Northern Nevada (BANN) amendments.

I thought when I left last evening that there was some general agreement among everyone, but sitting here today, I am not sure where the agreement may or may not be.

Our amendment essentially stemmed from our legislative committee making a determination that this law has been in place for over 30 years. In fact, Irene Porter was here representing the City of North Las Vegas as Planning Director when this bill went into effect in the mid-1970s. This law has worked well, as far as everyone feels, at least in Clark County, or among the builders in Clark County. There has never really been a problem with obtaining the request from the school district through the local governments, and also in going through the negotiation and the purchase of the property. The implication in the law is that the property is purchased at the time, essentially at the tentative map.

Let me go back and do a little planning 101. A tentative map, if submitted as an application by a developer, can be for a master plan development with several tentative maps in it, or as part of it, or it can be for a single subdivision. Let's talk about the single subdivision.

The tentative map is the legal requirement for the review, on a tentative basis, by the planning commission. The map gets submitted to the local government, which by law is required to disseminate that application to all of the potentially affected agencies, school districts, health districts, county departments, public works—all of those various entities that may be impacted by this particular map. The developer has to submit the proper number—20 or 25— of copies of that application. In Clark County, they have 45 days within which to process a tentative map from receipt to planning commission determination. In the other counties it is 60 days. So you have a fairly short time frame within which the local governments have to process these maps. The timeline can be waived by the developer, and often there is language in the application materials that essentially waives that timeline, but the law says 45 days in Clark County and 60 days for the other counties.

There is a short time frame when you go before the planning commission in Clark County and, I believe, in Washoe County. The planning commission is the final decision maker on the tentative map. The map does not go to the governing body unless there is an appeal. In some of the cities down south, I think the map goes automatically to the city council, so I do not want to say that is the way it is, but I know that the law allows the planning commission to be the final decision maker on a tentative map.

After the tentative map is approved, whether it is through an appeal or directly approved by the planning commission as a final decision, you have, under current law, two years to file a final map. This is where a developer faces a large cost, during final design of a subdivision. You set out all of the parcels, set out all of the streets, and cover all of the conditions. Typically, numerous conditions are imposed on the tentative map through the review process and the planning commission, and all of those conditions have to be met before you can record that final map. Current law allows two years to record it. You can record your entire map or you can record a portion of it. Again, that depends upon how the local jurisdiction approves the project. The local jurisdiction could say it wants you to do this in no more than three or four phases. If allowed, the developer will often do phases based upon the market conditions and do a portion of the tentative map. So the first final map might cover only a portion of that big tentative map; this is what happens when we talk about phases.

In the Clark County School District, under this law, I understand that when the property is requested by the school district, they get together with the developer and talk about where in the subdivision they want their school site. They then negotiate not only the location of that particular school site but also the price, which is based upon the tentative map time frame. Then the property is purchased by the school district. Often that occurs not necessarily before a planning commission, but certainly before they enter into that laborious engineering process of going forward with their final map.

That gets to my statement outside of the education piece. It is extremely critical to the builders in southern Nevada that they know not only where that site is going to be, but also that the purchase creates a certainty to that location, so they can go forward with their final map process without having to worry whether that site is going to be purchased or not.

This morning I got up and I put the previous BANN amendment ([Exhibit E](#)) and SNHBA amendment ([Exhibit F](#)) together. I wanted to make it easier to read, and you will see that the major piece of the amendment is to separate out the Washoe County issues, which appeared to be real to Washoe County but have not been apparent in the rest of the state, at least according to any feedback that we have received. So we separated out Washoe County and put in all of the changes that are wanted by Washoe County as negotiated the day before yesterday with BANN, which is the Builders Association of Northern Nevada in the Washoe County piece, and to basically keep it the same except for Legislative Counsel Bureau "legamatics."

As far as SNHBA's position on the Clark County School District amendments, we are supportive. We only have an issue with the last one, which allows the sites to be used for "any other use as determined by the school district." Most of that wording is in the original bill.

Leaving aside the bus barns, there is another major issue associated with this, and that to me is the more important one. When you sell a lot near a proposed school site in your subdivision, you have made a representation that technically, I think, and legally, could come back to hurt you if the lot was used for some purpose other than a school site. I think that there is a lot of room at the local school district level to create their own definition of a school site. For instance, a school site in my mind might entail a satellite high school classroom that is

used for a certain purpose. I do not think that is what people have in mind when they buy into a subdivision; they think it is going to be an elementary, middle, or high school. What "school site" means is going to be determined at the local level, but we certainly do not want that definition to be broadened by the Legislature to include any use besides a school site. With that, I would be happy to answer any questions.

Chair Kirkpatrick:

Does anyone have any questions?

Assemblyman Stewart:

In essence you are saying that the system in southern Nevada has worked for many years, so do not mess with it, right?

Madelyn Shipman:

We have not heard from the school district that it is not working. I am sure that there are things that always can be improved or made better, but I am not sure that legislative language would do that.

Assemblyman Stewart:

Thank you.

Assemblywoman Pierce:

You want this change, "as determined by the school district," but you feel that the representation made when you buy the house would preclude the school district from turning it into a bus barn or something like that. I do not feel confident about that. I remember one time, people around a casino site were told that the casino was going to be this sort of low, graceful thing, and what they have now is 30 stories. So I am not so confident about changing that language. I am a little worried about that.

Madelyn Shipman:

I am not sure what you are saying. We are not trying to change language. We are trying to keep the same language as the current law states, which is school sites. We are not asking for "as determined." The "as determined" language is the bill language and Clark County School District language. We are definitely opposed to that language both in the bill and in the Clark County School District.

Assemblywoman Pierce:

Okay, then I misunderstood.

Chair Kirkpatrick:

Does anyone else have any questions or concerns?

Jay Parmer, representing the Builders Association of Northern Nevada, Reno, Nevada:

The Builders Association of Northern Nevada is the home building industry in Washoe County. We are here today in support of this amendment, and we are reacting to exactly what the bill sponsor and Mr. Stanton said. Those two pieces really come around, setting a price for the school district at a time when it is most advantageous to them, which is at the time of the tentative map. We are in agreement with that.

Also, Mr. Stanton mentioned at some point in the future that we might run into a situation where the ten-year time frame is not sufficient to allow a determination to be made to put a school into use. We wanted to recognize that such a situation may occur sometime in the future and to give them some additional time in order to accomplish that.

The third purpose of our amendment is to make it clear that we would strongly prefer, from a building and development perspective, that the stated purpose in the bill would be for a school site. If you look at the mock-up that Ms. Shipman referred to ([Exhibit D](#)), all of that is encompassed in subsection 3, which is underlined.

I also have with me today Mr. Jesse Haw. He made the trip down on his own, and he is a developer in Washoe County. You have had a lot of questions and you have heard some questions directed to the situation in southern Nevada. I want to make him available to you for some brief comments if that is okay.

Chair Kirkpatrick:

Does anyone have any questions for Mr. Parmer? [There were none.]

Jesse Haw, President, Hawco Properties, Reno, Nevada:

We have been building in Spanish Springs north of Reno since 1982. During that time we have given three school sites to the Washoe County School District for elementary, middle, and high schools. We are slated to give another elementary school when they are ready.

We are big proponents of the school district, and we think it is the right thing to do. I cannot point to one amendment and tell you change this or change that, because there are too many amendments. I just wanted to say, when we give a school site, or they buy it for a school site, it should be for a school site.

It should not be for real estate speculation that they sell or change. This is point number one.

Point number two is, there needs to be a time frame. If it is 10, 12, or 15 years, we need to know what is going to happen, and the school district needs to move during that time so we have the rest of our development as it should be. These are my only two points. Thank you for your time.

Chair Kirkpatrick:

Does anyone have any questions? I have a question. If you have already donated a few schools to the school district, are they coming on line about the same time that your project is coming on line? When folks move into a brand-new development, the kids go to a different school the first year, but you hope that the new school is on line the next year. How does that work up here in Washoe County?

Jesse Haw:

In my experience it has worked very well. I should tell you the catalyst for me being here was in the early 1990s. The school district would get several sites in an area or a valley. One of them would be better than another, and it turned out that they were selling some of those sites and making money off them, even when someone donated the sites. It irks me that a public entity would take private land and sell it to another private individual; it is just wrong.

I do not think that the people at the school district right now would do this, but if you give people absolute power, things happen. To your question, I have not seen any problems. I am sure there are always ups and downs in population growth, et cetera, but they have done a great job, and we have not had any issues with having them perform on time.

Chair Kirkpatrick:

Does anyone else have any questions? I do not see anyone from local government who is going to testify, but if there is a problem with getting the maps to the school districts, they should already be moving forward. If there is someone from local government, please get with Ms. Smith because I think that it is important to the school districts also to know what is going on.

Does anyone else have anything? Does anyone else want to testify on Assembly Bill 220? [There were none.] We are closing the hearing on

A.B. 220. Ms. Smith will work with all of those here today; I am sure once they put all the amendments together, they will see that they are closer than they probably think.

Is there any public comment this morning? [There was none.] Is there anything from the Committee? Tomorrow we have one bill at 9 o'clock.

Meeting adjourned [at 10:14].

RESPECTFULLY SUBMITTED:

Cheryl Williams
Committee Secretary

APPROVED BY:

Assemblywoman Marilyn K. Kirkpatrick, Chair

DATE: _____

EXHIBITS

Committee Name: Committee on Government Affairs

Date: March 12, 2009

Time of Meeting: 9:11 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Guest List
A.B. 220	C	Nicole Rourke	Amendment for A.B. 220
A.B. 220	D	Madelyn Shipman	Amendment for A.B. 220
A.B. 220	E	Jay Parmer	BANN Amendment for A.B. 220
A.B. 220	F	Madelyn Shipman	SNHBA Amendment for A.B. 220