

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

**Seventy-Ninth Session  
February 14, 2017**

The Committee on Government Affairs was called to order by Chairman Edgar Flores at 8:30 a.m. on Tuesday, February 14, 2017, in Room 4100 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/App/NELIS/REL/79th2017](http://www.leg.state.nv.us/App/NELIS/REL/79th2017).

**COMMITTEE MEMBERS PRESENT:**

Assemblyman Edgar Flores, Chairman  
Assemblywoman Dina Neal, Vice Chairwoman  
Assemblywoman Shannon Bilbray-Axelrod  
Assemblyman Chris Brooks  
Assemblyman Richard Carrillo  
Assemblyman Skip Daly  
Assemblywoman Amber Joiner  
Assemblyman Al Kramer  
Assemblyman Jim Marchant  
Assemblyman Richard McArthur  
Assemblyman William McCurdy II  
Assemblywoman Daniele Monroe-Moreno  
Assemblywoman Melissa Woodbury

**COMMITTEE MEMBERS ABSENT:**

Assemblyman John Ellison (excused)

**GUEST LEGISLATORS PRESENT:**

None



**STAFF MEMBERS PRESENT:**

Jered McDonald, Committee Policy Analyst  
Jim Penrose, Committee Counsel  
Lori McCleary, Committee Secretary  
Isabel Youngs, Committee Secretary  
Cheryl Williams, Committee Assistant

**OTHERS PRESENT:**

Brian McAnallen, Government Affairs Manager, Office of Administrative Services,  
City of Las Vegas  
Elizabeth Fretwell, City Manager, City of Las Vegas  
Lisa Morris Hibbler, Director, Department of Youth Development and Social  
Innovation, City of Las Vegas  
Richard A. Derrick, Assistant City Manager, City of Henderson  
Craig Stevens, Director of Intergovernmental Relations, Clark County School District  
Theodore Small, Vice President, Clark County Education Association  
Steven Augspurger, Executive Director, Clark County Association of School  
Administrators and Professional-Technical Employees

**Chairman Flores:**

[Roll was called. Rules and protocol were explained.] I would like to recognize the Future Farmers of America. Thank you for being here and welcome to our Committee meeting. Make sure you visit some of the members here, as they are all excited to speak with you. We will go to the first item, which is a presentation by the City of Las Vegas.

**Brian McAnallen, Government Affairs Manager, Office of Administrative Services,  
City of Las Vegas:**

We would like to give the Committee an overview of the city, what we do, what we are about, and the exciting things we are beginning to do, including innovative ideas for the downtown area. Everyone has the "Legislative Agenda and Policies" in front of them ([Exhibit C](#)). This is our guideline for our legislative activities. This was approved by our city council last fall. This gives the legislators and our lobbying team up here some direction on the priorities of the city. We use that as the filter for all the other legislation introduced.

**Elizabeth Fretwell, City Manager, City of Las Vegas:**

I have been fortunate to work with the City of Las Vegas for almost 17 years now, and over 8 of those years as the city manager. I hope I can provide all the information the Committee needs to be effective in guiding our state into the future. The first slide shows our ward map [page 2, ([Exhibit D](#))]. The mayor is elected at-large. We have six city council members. They are illustrated here with the areas of the city that they represent. The largest ward in geographic territory is Ward 6, and most of our growth and development is happening in that ward.

This next slide shows how we fit into the overall region in southern Nevada [page 3, ([Exhibit D](#))]. This shows our adjacency to North Las Vegas, areas of the unincorporated Clark County, and how we are situated with Henderson and Boulder City. Obviously, in the far northeast, one would normally see Mesquite, but we zoomed in on the Las Vegas Valley for today.

We have a whole team of people who are poised to help the legislators as they make policy decisions for our state that may impact Las Vegas and matters of our local government. We have a chief of staff, Ted Olivas, who is responsible for all of our lobbying efforts. We have an incredible lobbying team who will be here full-time during session to help legislators in any way they need: Brian McAnallen, Kelly Martinez, and Rebekah Holder. We have some paid consultants that help us through this process, as well. Our contract lobbyists are Greg Ferraro, Bob Ostrovsky, Misty Grimmer, and Mike Sullivan. They are the ones who will be working to ensure we are following through on the legislative platform that the mayor and city council adopted last year.

Las Vegas is the largest incorporated city in the state. Our most recent population estimates put us at about 640,000 people, which puts us in the top 30 largest cities in the country. We have an average ward size of a little over 100,000. As growth occurs during the ten years between the census and redistricting, the wards get a bit out of balance sometimes. There is a pretty large discrepancy between Ward 6 and, for instance, Ward 3, which is in the center part of our city.

The Las Vegas median income is around \$50,000. We have an area of a little over 140 square miles. We have a general fund budget of over \$500 million, and \$1.3 billion for our total budget. We have over 3,300 full-time employees to serve the citizens. We have a host of recreational and public safety offerings, which I will go into in a few moments, as well as school presence in our city.

I know some of the legislators are newly elected to this position. They may be wondering how the City of Las Vegas is governed. We have a special act that governs the City of Las Vegas, called the Las Vegas City Charter. We are governed by other sections of *Nevada Revised Statutes* (NRS), but this charter is a special act that creates us and outlines the duties of the mayor, city council, and city manager. There is an extensive list of the things the City of Las Vegas is responsible for [page 6, ([Exhibit D](#))]. We are responsible for everything, including public property, affordable housing, cooperative powers, municipal courts, traffic and safety issues, public health, fire protection, and other things local governments typically provide to ensure the safety, health, and welfare of the residents they serve.

We also participate in a variety of regional capacities, so our city council members are designated to participate in these regional boards. Many of these are coordinated across jurisdictional boundaries to ensure we have effective and efficient municipal service delivery, particularly as it relates to things like infrastructure. If we work together on, for example, transportation, we make the best use of the funds available to us for those express purposes.

Here is the list of those regional boards [page 7, ([Exhibit D](#))]. I wanted to show the Committee this organizational chart; it shows how things work in the City of Las Vegas [page 8, ([Exhibit D](#))]. We have a mayor and city council; we also have six elected municipal court judges. They have a separately appointed court administrator. We work with the municipal court, another key component of what the city provides to ensure the health and safety of our citizens.

As the city manager, I am one of three appointees the mayor and city council make. I am responsible for all of the administrative functions of the city. One can see that we have nearly 20 departments that report to me. I have three key chief officers that help me in the administration of the city government. The officers are focused around public safety, community development, and finance and internal services. It splits the organization into three equal parts.

I wanted to share some of our most recent community survey results because they are pretty astounding, and I am very proud of them [page 9, ([Exhibit D](#))]. For the last five years, we have been surveying our citizens. We have had some stellar results. We are more than 20 points ahead of other cities of like size in the quality of service and our customer service rankings. I think that is illustrative of our employees and the vision and commitment to customer service that the mayor and council have set out for us. I think we compare very favorably to our peers.

We also do well in a variety of areas, including maintaining our streets, providing public services related to fire and emergency medical services (EMS), and providing sewer services, wastewater treatment services, et cetera. We are outpacing our peers in some of those areas as well. We feel that we are on the right track and continue to see up arrows in the right categories.

I would like to transition to budget highlights to give the Committee a sense of where we have been and where we think we are going. When I started as city manager, we were in the throes of the Great Recession. We endured some significant changes in our revenue structure, some of which are recovering, and some of which have not recovered. Over the last eight years, we still have a drop in assessed value of 37 percent [page 10, ([Exhibit D](#))]. We had a 26 percent drop in property tax, but our consolidated tax has rebounded. That means people have confidence and are buying commodities. That helps buoy our local government. This is a significant share of the revenue we receive. There is a significant amount of money that has been abated over that same period of time in property taxes. We are feeling bullish on the consolidated tax. The property tax we have been enduring over the last several years is experiencing pretty modest growth. Last year we did not receive much over the 0.2 percent. That is probably a discussion for a later day.

We have significant budgetary practices and principles that we follow. The council has adopted reserve policies. We make sure we retain a significant in-fund balance. We think that is important. It allows us to weather the ups and downs of the economic cycles. It positions us for strength when something important comes up and the council needs

flexibility to address. We aspire to have a 20 percent in-fund balance. That helps us buoy our bond rating. We get a lot of accolades when we go to the bond rating agencies about our fiscal management policies. That is not something we take for granted. It is a critical thing for me, and it is one of my highest priorities.

Over the last five years, we have had budgets that have ended with no deficit, we have balanced budget requirements, and we are constantly monitoring revenue and curtailing costs to stay in the revenues. We are also rebuilding, because we took significant hits during the recession, and there are still a lot of facilities to be maintained, services to be provided, et cetera. We are trying to rebuild in the right way: slowly, over time, and very deliberately.

The next slide shows how our staffing has changed [page 11, ([Exhibit D](#))]. Back in 2008, we had a significant staffing ratio of full-time employees, around 2,800. We had already started doing a bit of cutting by then. Now we are just growing back, slowly, which is very prudent. One thing I did want to note is that we did preserve public safety. We have been investing in public safety along the way, whether it is the Las Vegas Metropolitan Police Department, Las Vegas Fire and Rescue, or other forms of public safety in the City of Las Vegas. Public safety has grown approximately 5 percent. There is only so much we can do with a limited budget, so that means non-public safety employment in the City of Las Vegas is still 20 percent lower than it was in 2008. That does not mean we stopped doing things from 2008 to 2017. We are trying to be smarter about it. I will talk in a few moments about technology, sustainability, and other strategies we have deployed to address those staffing shortfalls.

This is a quick overview of our general fund revenues [page 12, ([Exhibit D](#))]. I mentioned earlier that we are very dependent on consolidated tax. That makes up almost 53 percent of all our revenue. We are less dependent on property than we were at one point. It used to be about 25 percent of this pie; now we are down to 18 percent. The green chunk shows our licensing and franchise revenue, which is the one thing the city council does have direct control over. Property tax and consolidated tax are primarily a legislative function.

I wanted to show the Committee the abatement history [page 13, ([Exhibit D](#))]. These are some of the trends we are looking at in property tax. The orange bars are the areas that have been abated. I know that is likely to be a conversation this session and maybe in the interim. We wanted to show the Committee this from Las Vegas' perspective. I am sure others will share regional and statewide impacts. If one looks at our expenditure by category, we are primarily a service organization [page 14, ([Exhibit D](#))]. We spend about 55 percent of all the revenues that we are entrusted with from our taxpayers on people to deliver our services to our community. We spend 26 percent on our commitment to the Las Vegas Metropolitan Police Department, which is funded by an NRS formula. The city contributes a portion and the county contributes a portion. The sheriff has some self-generated revenue that he also uses to provide services to our region. I wanted to carve this out to show the level of commitment the City of Las Vegas has to the Las Vegas Metropolitan Police Department.

By function, which is the way the Legislature and the Department of Taxation asked us to break down our budget, the public safety contribution is 67 percent of our overall expenses [page 15, ([Exhibit D](#))]. When judicial is added, we are spending 70 percent on criminal justice and public safety. The rest goes to general government, cultural and recreation offerings, public works, debt service, and some smaller categories.

We have some city priorities I want to cover [page 16, ([Exhibit D](#))]. One is the issue of economic diversification. We have a focus on public safety as well as transportation and education. I would like to take them one at a time. Economic diversification and development is our effort to create job growth and create an environment in the economic hub of our city, which is in the downtown area primarily. We have business parks that serve the more suburban areas of our city. We have had a pretty intense focus on downtown for the last decade, and now we are seeing the fruits of our labor. We try to attract new companies; we want to ensure this a livable, walkable, and employable area that is pleasant to be in. Aesthetics are important as well as the condition of the infrastructure. We have been spending a lot of time working through that. In fact, in the last three years we spent about \$160 million in downtown infrastructure alone. We anticipate we will spend about that much in the next three years, also. In a six-year time frame, we will have spent over \$300 million on downtown infrastructure to get it up to speed.

The important piece here is that is what allows businesses to want to build. If we create an environment in which the private sector can grab ahold of something the city has created as fertile ground for them, they are more likely to relocate there. That is a critical component for us. One of our key focuses is the Las Vegas Medical District. I would like to thank the Committee and your fellow Assembly members who helped to fund the University of Nevada, Las Vegas (UNLV) School of Medicine. This will be a huge boost for not only downtown Las Vegas but the entire region. With our efforts in the Medical District combined with the medical school, we are looking at a \$3 billion economic impact for our city and region. It will have a tremendous impact on employment. We are excited about the potential of that.

We have been exploring new and unique ways to take advantage of federal programs that help businesses get underway, but can also help challenged areas. We work on new market tax credits. We are the only local government in the state that has its own New Markets Tax Credits bank. We have received \$83 million in these credits, and it has helped us get projects done, like the new Nevada Supreme Court building in downtown Las Vegas, as well as doing preservation projects, such as the Historic Westside School. These are just examples of the kinds of differences these alternative funding sources can make in determining if a project goes on or not.

One can see from these pictures that we have a lot of work to do in the downtown area [page 19, ([Exhibit D](#))]. There are a lot of areas of focus. We have the district east of Fremont, Symphony Park, Cashman Center, the Fremont Street Experience itself, as well as the Medical District. The next priority is our public safety projects [page 20, ([Exhibit D](#))]. We invest heavily in public safety. It is one of our highest priorities. We have been working

to be very efficient. I thought one thing the Committee might be interested in is that we recently completed a consolidation of our jail services with North Las Vegas. We had a five-year agreement with them, and it saved us both money. It has created significant efficiencies. That is now a ten-year agreement going forward. We will consolidate all our activities under one roof and one leadership to serve both communities.

We have also been expanding our homeless outreach services. We have established a wet shelter, which we did not have before. It can accommodate around 90 individuals daily. We are working to try and create some additional services to address a dramatic homelessness problem, not just in the City of Las Vegas, but throughout our region. Here are some quick facts about how we support our criminal justice and public safety efforts [page 21, ([Exhibit D](#))]. I will not go through all of this, but there are some things of note. We have a capacity of about 1,100 people in our jail today. We are adding some new isolation beds, which I think will be critical serving our community going forward. We also have a robust fire department with 21 stations. EMS has become the predominant service of Las Vegas Fire and Rescue, encompassing around 93 percent of all that we do.

We have been focusing significantly on transportation. I mentioned the level of investment we have made in transportation and ensuring we have the right connectivity downtown to make it ripe for housing and other commercial development. We have just completed a mobility master plan that outlines over 200 projects. With the help of the Fuel Revenue Index funding, this will accelerate the project significantly. We are adding bike lanes, working with the Regional Transportation Commission of Southern Nevada on a light rail project, and making major strides on improving pedestrian safety in and around bus stop shelters. We have invested millions to try and make bus stop shelters safer.

Finally, with an eye toward the future, we are focusing on a downtown innovation district. This district is basically our whole downtown. It encompasses the Medical District to East Fremont, to the Arts District, to Bonanza. This is identified as an innovation district by the council. We are working to install and integrate technology into the streetscape and our infrastructure to facilitate smart development and hopefully help us draw major companies who are interested in locating in Las Vegas with a technology orientation.

I have a slide here that might illustrate some things we mean when we talk about a "smart city" [page 23, ([Exhibit D](#))]. There are a lot of conversations about what a smart city really is. It could be something as simple as a connected trash receptacle in downtown where we do not have to deploy someone to empty it until it is full. Or it could be ensuring we have dynamic information that can be relayed automatically to vehicles, mass transit, or even bikers or pedestrians to alert them to safety concerns. There is a lot of opportunity going forward, and we are excited about the potential. We have gotten worldwide coverage for our pilot project with the automated shuttle we ran on East Fremont. It was one of the first and probably not the last. About ten cities, one minute after we rolled this out, were doing the exact same thing. We are exploring new technologies that are more cost-effective and get people where they need to go in a safe and efficient manner.

The last priority to hit on is the education priority [page 25, [Exhibit D](#)]. It is a bit different for a city to focus in on, admittedly. However, the performance in our schools in downtown Las Vegas is not great. It has not been great for a long time. When we are trying to attract businesses, one of the things they say to us, if not the first thing, is, "Where are my employees going to send their kids to school? Are those good schools?" Unfortunately, some of those schools are not good. The city's job is not to replicate or duplicate what Clark County School District (CCSD) does or to ensure that there is public education in the state. However, we have a significant investment in pre- and post-school and out-of-school learning time. We have done that for decades. We want to make that meaningful. We can help improve the outcomes of kids going to schools that are struggling. We have an education mayor, and she is not willing to wait. It is not worth it for the one kid left behind because they get left behind forever. We are working on that.

We are launching two preschools this year. We have been working on four community schools where we will be working with the CCSD to provide wrap-around services. We are continuing to develop and promote programs that are helping under- and disengaged youth to stay in school and be successful, and hopefully, make their way into college, higher education, or technical training that will make them employable. These are all critical and related to economic development and community health, in our mind.

I mentioned that we focused on a few strategic issues in addition to the four priorities that the council has established for us. One is sustainability. I will let the Committee read this on their own [page 26, [Exhibit D](#)]. This year, we were able to strike a unique partnership with NV Energy, and we were able to take all our retail use for energy to renewables in January. We are really excited about that, and we plan to explore additional options. It has saved us a lot of money, over \$5 million a year. We want to keep doing that. We have been efficient in our use of water. We have been focusing on recycling and have reduced what goes to the landfill by 50 percent. We want to continue to do that.

I hate ending on a difficult note, but what are the challenges? Because oftentimes that is what lands on the Committee's desk. What are cities being challenged with? Here are some things I wanted to highlight [page 27, [Exhibit D](#)]. Our city is landlocked. We are done. The only way we grow is the suburban development that will happen north in the I-95 corridor and to the west towards Red Rock Canyon National Conservation Area. We have around 4,500 acres in that area that can continue to grow in a traditional, suburban fashion. What that means is we have to grow up, not out. It creates all kinds of challenges because that is called "infill development." It is what major urban cities deal with on a day-to-day basis, and it takes a lot of proactivity. However, we are landlocked, which means we have to focus in on redevelopment and urban development in different ways. We are also one of the oldest cities in southern Nevada. We have been working to address our problems, but infrastructure banks could help us a lot.

As I mentioned, we focused intensely on downtown redevelopment. I will not go back over that, but it is a key way for resurgence in our local economy and to strengthen the city and business environment in Las Vegas. I mentioned the fiscal issues that are challenges. We

have been working through those. We have not been up here asking for help. We have been managing within our needs. I think it is important to know we have the resiliency to do that. We are monitoring federal policy changes, and we will try to take full advantage of those policy changes as they come along. We are hoping that we will be able to continue taking advantage of the new market tax credits and other policies and programs. We are dealing with a retirement boom. I do not mean a retirement boom of people who live in the City of Las Vegas who expect services, I mean people employed by the City of Las Vegas who are retiring. We anticipate that around 38 percent of all our employees will be eligible to retire within the next 5 years. Just for perspective, we had 150 recruitments last month alone to replace critical positions in the City of Las Vegas. This is a major challenge for us.

Another major challenge is dealing with big data. There is a lot of data on the web, and there is a lot of data being put out by companies. Making sense out of that data and using it to our advantage is a big challenge for us. We have three bills that we are asking for consideration of this year. Senate Bill 60 relates to Medicaid payments for emergency medical transport services. Senate Bill 67 revises regulations related to multistory buildings and fire safety requirements. Our final bill is Assembly Bill 70, which would change the uses of the revenues that we receive in the redevelopment area.

**Assemblywoman Bilbray-Axelrod:**

On slide 5 there were some staffing numbers, 3,300 staff. On slide 11, it showed the staffing levels were fewer than 2,700. Can you explain the discrepancy?

**Betsy Fretwell:**

We have a lot of hourly employees that help us—in recreation, for example. When you add those together, the chart on page 5 is the accurate number including full-time equivalents. The other page was full-time employees.

**Assemblywoman Bilbray-Axelrod:**

What is a "wet shelter"?

**Betsy Fretwell:**

It is where you can go in inebriated.

**Assemblyman Daly:**

I know earlier you mentioned you have a charter, similar to other incorporated cities. I have not looked at your charter in a while. Do you have a charter committee within the charter? If you do not, how do you proceed to review and bring amendments forward to the Legislature? I know other cities have charter committees: Carson City, Sparks, Reno, North Las Vegas, and Henderson.

**Betsy Fretwell:**

We do not have a charter committee. Usually charter changes are requested by the city council, and we bring them to this body for consideration. We have had not had charter changes in probably ten years, at least.

**Assemblyman Daly:**

I know the City of Reno had a similar process for a long time; they went 20 years before they changed their system. When they needed changes, they also put a process in for a more systematic, biennial review. It helps keep the workings up to date.

**Betsy Fretwell:**

Thank you for the advice; that is a great idea.

**Assemblywoman Neal:**

I had a question on your general fund revenues. I was comparing the 2015 revenues to the most recent revenues, and it seems like you have lumped some categories together. Is licensing and permits revenue in the category of "other"? How much revenue are you collecting on licenses, permits, fines, and forfeitures, and are you still doing charges for service?

**Betsy Fretwell:**

On the chart, there is a green piece of the pie that shows our licenses and franchise revenue. It is around \$90 million [page 12, ([Exhibit D](#))]. That still is broken out separately. A lot of the fines and forfeitures go directly to the municipal court, so they are not a part of the general fund, per se. Some fines and forfeitures may be calculated in the \$65 million range. The Las Vegas Metropolitan Police Department gets their own fines and forfeitures. That is not shown in here at all. We still have fees for recreational services and a variety of other things we provide.

**Assemblywoman Neal:**

The chart had franchise fees broken out separately and licenses in their own category. The pie was more divvied up with more detail. On the "Expenditure by Function" slide, for your judicial expenditures, there has been an increase from 2015 by \$2 million [page 15, ([Exhibit D](#))]. What is that a reflection of?

**Betsy Fretwell:**

In the judicial category, this would include things like the municipal court and the city attorney's office for criminal defense. I do not have the details of what the \$2 million is, but I can send you what has changed in those categories. My expectation is that it is the municipal court cost.

**Assemblywoman Neal:**

You said the municipal court was under redevelopment. Is that correct?

**Betsy Fretwell:**

No, they receive some of their own revenues through court assessments, which are included in other accounts. They are exclusively used for certain types of expenses. I would have to give you a detailed breakdown of that.

**Assemblywoman Neal:**

In the "general government" pie category, in 2015, you had \$57.7 million and now you are at \$63 million. In the "other" category, there was an increase by \$2.3 million because in 2015 it was \$10 million. I noticed your public works decreased. What was happening there?

**Betsy Fretwell:**

In two years, we have probably added around 120 positions. Those would be split among all these categories. Particularly in "general government" and possibly in the "other" category, you would see those positions having an impact. Some of these services in general government are understaffed from where we were in 2008. We have been slowly trying to rebuild those services. That could include adding planners, building inspectors, city attorneys, et cetera to handle the increased workload over that period with the revenues we have been able to take advantage of because they have grown slightly in those two years.

**Assemblywoman Neal:**

I was comparing staffing levels now from back then. There is that slight increase from 2016 to 2017. That is reflected because it looks like in fiscal year 2017 the city had about 2,500 employees, and in 2015 there were around 2,300 employees. That difference makes sense. What is going on with the decrease in the public works?

**Betsy Fretwell:**

One of the things we have been able to do is that we have a significant Capital Improvement Program (CIP). The state has one as well. We can charge time to the CIP budgets instead of out of the general fund. That would show that decrease in that category. It does not mean we have reduced positions, for instance. In fact, we have been growing our CIP significantly. We had a \$50 million parks and recreation bond, for instance, that we recently were authorized to deploy by city council to eliminate gaps in parks service throughout the city. Those are the kinds of things that may show a slight shift in those numbers. If things can be self-sustaining, we move them to enterprise funds. You can see some shifts there. That would not show up in the general fund expenditures; that would show up in an enterprise fund.

**Assemblywoman Neal:**

Did you say you created a New Markets Tax Credit bank?

**Betsy Fretwell:**

Yes.

**Assemblywoman Neal:**

I want to know more about that bank and the projects those have funded.

**Betsy Fretwell:**

Okay, I am happy to provide those.

**Assemblywoman Neal:**

Are you using federal grants? Are there projects where you have used them dually with city funds?

**Betsy Fretwell:**

Yes. We receive entitlement grants. We receive a lot of funding through Community Development Block Grants (CDBG), Housing Opportunities for Persons with AIDS, and a variety of other federal grants based on our economic condition. I would say that represents the lion's share of the grants we get.

In the fire department, we sought a Staffing for Adequate Fire & Emergency Response Grant, which helped us staff Fire Station 108, our newest fire station. It helped buoy the costs of those operations for almost 2.5 years, so we could curtail the impact on the general fund budget. That grant will expire this year. We are not eligible to reapply for that grant. There is a time-out period. We try to be specific about grants we seek outside of the entitlement grants to support things the council has asked us to achieve. Yes, we do layer them to get projects to happen. Things like the New Markets Tax Credits that you have asked about, while that is not a grant, we would layer that with other forms of financing. We try to be as creative as possible with the resources available.

We work on seeking grants for a lot of public works projects. We were very successful during the recession on receiving the American Recovery and Reinvestment Act of 2009 funds to help improve significant portions of our roadways. We were prepared to take advantage of those funds. We try to stay ahead of those things and identify those opportunities.

We have also been unsuccessful in receiving grants. We pursued, with great intensity, the Smart City Challenge grant out of the U.S. Department of Transportation, but we were unsuccessful. Columbus won, and only one city was picked. We do pursue some grants that we are unsuccessful with, but that helps us learn. Then we are better able to put together a program that will be competitive in a future submission.

**Assemblywoman Neal:**

There are still a lot of housing projects in the City of Las Vegas, mostly west Las Vegas. I would not even call it low-income housing. Occasionally the windows will be changed out, or they will get new paint jobs. Is there an active effort to remodel? North Las Vegas used the Choice Neighborhoods Implementation Grants to do a huge rehabilitation on the Rose Garden apartments complex. They wanted to change the living environment of people who, generationally, have been living in those housing projects for over 50 years. How are we using any of our affordable housing money or federal allocations to layer and produce a project, moving in that direction?

**Betsy Fretwell:**

We have, historically, helped using CDBG funds to make energy efficiency enhancements; for example, we replaced windows with dual-pane windows. We do things that help

individuals have a more affordable home, so they can stay in it. We do rely on the Southern Nevada Regional Housing Authority in the City of Las Vegas. A lot of the projects that we have been working on have been in tandem with them. We have a significant share of their inventory in Las Vegas, so we work with them to improve that housing stock, as well. I do not know if I could give you a specific project like the one you mentioned in North Las Vegas, where a particular housing complex has been rehabilitated. I will look into opportunities for that moving forward.

**Assemblywoman Monroe-Moreno:**

On page 20, what is the financial impact or benefit of the consolidation of the jail services with North Las Vegas ([Exhibit D](#)). Where does the money paid by the City of Las Vegas fit into the chart?

**Betsy Fretwell:**

That is normally considered an intergovernmental transfer, so in the chart that would be the category of "other." We have tried to estimate what the impact is to us and to North Las Vegas. I wrote a few articles about this. I think it is safe to say that North Las Vegas is saving north of \$10 million a year, and we are benefiting around \$7 to \$8 million a year. It helped stabilize North Las Vegas and the City of Las Vegas. The sheriff moved all of his detainees into the North Valley Complex. That created a significant shortfall in our budget. This has helped both governments be more efficient and effective. We feel that it is working. We are excited for this contract moving forward.

**Assemblywoman Monroe-Moreno:**

You have a goal of hiring 203 corrections officers during the ten-year agreement [page 21, ([Exhibit D](#))]. Are any North Las Vegas officers joining the City of Las Vegas?

**Betsy Fretwell:**

Yes, we are hiring their employees as part of this contract.

**Assemblyman McCurdy II:**

What percentage of those 1,104 isolation units are going to be geared toward mental health?

**Betsy Fretwell:**

We have an intake process where people are identified for various conditions. I would probably say 10 percent have some need to be segregated. It is a significant issue for our jail population. I can give you the actual statistics over the last year or two so you can see where things are going, but that is a big reason we are creating the isolation cells. We are adding more than 40 isolation cells to handle individuals who cannot be in a community population. They have to be segregated for their safety and the safety of others. That is a major investment on the city's part. It will be well over \$10 million to expand the facility to address the issues of mental health and other critical issues related to an individual cell.

**Assemblyman McCurdy II:**

What is the process of identifying the needs of someone who has mental health conditions versus someone who is just an unruly inmate? How do you differentiate where that person needs to be housed?

**Betsy Fretwell:**

I wish I could tell you the details. We have a highly trained staff that works with a contractor to evaluate the medical condition of everyone who comes through the doors of our facility. A categorization happens for each inmate. They are then assigned to the right housing unit. They may be under a medical watch for a period of time. They may be suffering from some condition that requires a higher level of care. It is very individualized. Our classification officers go through a regimented process with each individual who comes into our care. We try to ensure that we classify those individuals correctly.

**Assemblyman McCurdy II:**

Will there be a maximum amount of time an individual can spend in an isolation unit?

**Betsy Fretwell:**

In our system, the longest term a person can serve after a judge rules is six months. People are not just put in isolation without anywhere to go. There is time out of that cell. We have community rooms where people can go and work out. There is a yard so they can get outside. It is a very carefully monitored, intensely staffed area of our jail.

**Assemblyman McCurdy II:**

Regarding the CDBG funds and its allocation to the Historic Westside area, you spoke of projects bringing housing up to energy efficiency code. Are there other partnerships you have, with NV Energy for example, to provide those services? Or is it coming directly out of the CDBG funds?

**Betsy Fretwell:**

Sometimes there are community benefit projects that some of the private sector corporations provide, and we try to take advantage of that when we know about them. But mainly, our process uses those federal funds to improve housing conditions. We are an older community. Some of the housing infrastructure is aging, and that creates some unique challenges. We are attuned to that. We are also attuned to federal changes that may impact that funding source. Some of that relates to homelessness and how we solve that problem, going forward.

**Assemblyman McCurdy II:**

Historic Westside and part of North Las Vegas is in District 6. Is there a master plan to develop that area? There are a lot of areas surrounding District 6 that are having significant changes. District 6 has been essentially the same for decades. Is there any targeted effort to ensure this community is not left behind as we continue to build up the rest of Las Vegas?

**Betsy Fretwell:**

I have two points. One, Historic Westside was not included in the prior definition of downtown Las Vegas. That has now been changed with our new downtown master plan. Two, we have been actively working with UNLV on the Historic Urban Neighborhood Design Redevelopment plan. It lays out a framework for future development in west Las Vegas. The city has been investing heavily, whether it has been in Enterprise Park or the new Historic Westside School. The new Historic Westside School is incredibly beautiful. If you have not had a chance to go by the new KCEP radio station offices, the building has really been given a face-lift. There is more work to be done, but we have set up the framework to get some of these things accomplished.

**Assemblywoman Monroe-Moreno:**

Owens Avenue is becoming a huge tent city. What is the plan, moving forward, to work with the homeless in that area to alleviate the problem?

**Betsy Fretwell:**

Homelessness services are a significant challenge. We have completed our annual homeless count; however, I do not have those results. I am anticipating the results may be higher than last year's count, which is not a good thing. We have been working with The Salvation Army, Catholic Charities of Southern Nevada, Veterans Village, Las Vegas Rescue Mission, et cetera to work through a new plan for service delivery in that area. The city has a presence there with an outreach office. We are trying to get people the care they need. What I am seeing in the trends is that the number of people accepting help is staying flat, while the number of people that we are interacting with at the street level is going up. I am not sure what is driving that trend, but it is a significant concern.

We are also sensitive to the impact on the businesses in those areas. We have a significant cleanup crew. We spend a lot of time cleaning up refuse and trying to create habitable conditions for the businesses, the people who are in those areas, and those who cannot avail themselves of another place to stay. It is a very difficult situation. It is, as I mentioned, one of our highest priorities. The mayor highlighted in the State of the City speech this year that we need to do something to turn this around for everyone's benefit.

**Chairman Flores:**

I am looking at your business portal website, which is where you can register a business. I noticed you have a "complaints" section. How does that division work? If there is a predatory business out there, do you pass that to another agency, or does the agency go out and do the investigative work themselves?

**Betsy Fretwell:**

For business licensing complaints, we have our own auditors and investigators. If it is a state-related matter, we will defer it to the state, but if it is related to a regulation the city is imposing, we will handle that ourselves. Something like a consumer fraud problem will go to the state; we will not handle that. If there is a business that is precluded from selling

single alcoholic beverages, but they are selling them, we will go in and enforce the restriction. It depends on the type of complaint. Regardless, we ensure those complaints find a home for resolution.

**Chairman Flores:**

What is the City of Las Vegas doing to promote and attract veteran-owned, woman-owned, and minority-owned businesses? Do we keep data on that? As a legislature, we are promoting these businesses. Sometimes for specific projects, we may even say that we want 5 percent of those projects in the bidding process to go to those businesses. However, we are finding there is no real data on the businesses. We do not know who owns what. Do you have data falling within your city limits? Do you know how many veteran-owned businesses are operating in your jurisdiction?

**Betsy Fretwell:**

We do have that data if the business tells us that. Primarily, we track that in our purchasing and contracts activity. We have a goal to improve our utilization of woman-owned and minority-owned businesses. We have a very aggressive program on that. I do not have that data at hand, but I would be happy to share it with you. We pay very close attention to that. Quarterly, I personally meet with the heads of all the chambers and groups of women-owned and minority-owned businesses. That is how important this is. We discuss our purchasing efforts to open the doors of local government to our own diverse businesses.

**Chairman Flores:**

If you could share that information with the entire Committee, I would appreciate that. Could you also provide the Committee with the number of federal grants your city applies for, the number of grants awarded, the number of grants the city is matching, and the total amount of dollars that came in? One of the conversations that happens outside the Legislature is that we are not doing enough to get federal dollars. Some of us are doing a lot more than others. It is time we get an honest picture of what we are doing collectively as a state. That is the only reason I ask for that data.

We have a huge issue with squatters in the State of Nevada. I want to know if the City of Las Vegas has taken an active role in dealing with this problem. The City of North Las Vegas meets regularly to discuss squatters, and they have a dedicated task force for this problem. Are you speaking with different agencies, meeting with utility companies, or taking an active role to combat this issue?

**Betsy Fretwell:**

Yes. We have adopted an ordinance that helps us manage a foreclosure registry so we can assess when individuals have illegally occupied a structure. It has been a very effective program. I believe North Las Vegas may have adopted a similar ordinance. The ordinance helps law enforcement, code enforcement, NV Energy, and all of the utility companies. They get a better sense of whether the person who appears to occupy a facility is legitimately supposed to be there. That has helped a lot. We do not have a squatter task force, but we have a system in place that the council has adopted to help us identify areas that are at risk.

**Assemblywoman Neal:**

I know annexing land was a big issue. What is the status of that?

**Betsy Fretwell:**

We reached an agreement with Clark County regarding the annexation patterns in the northwest. We will be providing sewer services to individuals that reside in those county islands, regardless of their jurisdiction.

**Assemblyman Brooks:**

Much of what you discussed is in my district. I think you are doing an excellent job. You spoke about the renewable energy goals in the City of Las Vegas and recent announcements about how you achieved that. I am familiar with many of the public works projects that produce energy. The bulk of that came from a recent power-purchase agreement with NV Energy. Could you describe what that financial arrangement is?

**Betsy Fretwell:**

At a high level, I can. I can also get my sustainability officer up to meet with you individually. We bought into the Boulder Solar II power plant. We had built up an investment in our solar on-site energy generation. In fact, we were given an award by the U.S. Environmental Protection Agency for on-site generation last year. We worked out an agreement with NV Energy to take the rest of the load to completely renewable for all our retail usage at a minor tariff. Not the same tariff you saw on some other private power purchase agreements. We have been focusing in on efficiency, ensuring we are doing additional conservation efforts to lower our load, which drives down the cost of our energy consumption. It is a three-part process: going completely renewable, further enhancing our energy efficiency, and making conservation efforts. All three of those together helped us achieve that outcome.

**Assemblyman Brooks:**

On that arrangement with NV Energy, is that through their NV GreenEnergy Rider program? It is not a long-term, contractual, must-take arrangement; you are just in a different tariff?

**Betsy Fretwell:**

It is actually a three-year bridge agreement to position us to find either a new arrangement with NV Energy or a new provider to help us accomplish that.

**Assemblywoman Bilbray-Axelrod:**

Could you address the issue that came up in the past about home rule?

**Betsy Fretwell:**

This body afforded an opportunity to clarify the impact of Dillon's Rule on local governments. I am not aware of any additional conversation to change statutes that would create additional home rule authority. The action the Legislature afforded us last session was an opportunity to explore that in an area where the legislators have not ruled and the city has the authority. There are some areas we have been able to evaluate for effectiveness. One

area that Assemblyman Brooks mentioned on the sustainability front, we were hopeful to explore new authorities to put together community solar activities. We were unable to do that because the state law already speaks to that in other sections. We have a thorough process when exploring the ability to use the home rule latitude the Legislature gave us last session. There are a few areas where we feel that it will work. One of the areas is the prekindergarten education area. Something that is generally agreed upon as an area in need of good performance and an area we can support with dedicated educational funds. We have been exploring those things over the last 18 months.

The Committee is ready to hear a redevelopment bill, and we are trying to make our community stronger by utilizing these resources from the redevelopment area that have an impact. I am also the executive director of the redevelopment agency. It is important that the Committee knows that these things work hand in hand. This next bill speaks to enhancing educational offerings in the city and should buoy our performance in the City of Las Vegas as a result. I hope that as you consider that measure, this helps you understand why it is so important to us.

**Chairman Flores:**

We will move to Assembly Bill 70.

**Assembly Bill 70: Revises provisions concerning the use of certain revenues in a redevelopment area. (BDR 22-413)**

**Brian McAnallen, Government Affairs Manager, Office of Administrative Services, City of Las Vegas:**

Assembly Bill 70 was one of the three bill draft requests approved by our council and requested for adoption this legislative session. While I hesitate saying any bill is a minor fix, this bill really is a minor fix. We are looking for flexibility in existing language, which dictates our set-aside in the redevelopment agency (RDA) from the revenues derived from new property taxes for new businesses that come into the redevelopment agency. Our redevelopment agency has been in existence since 1986. Currently we have two redevelopment areas: Redevelopment Area 1 is the downtown area and Redevelopment Area 2 is along the Charleston Boulevard and Sahara Avenue area. I can provide you all with a map of those two areas, which will hopefully show you the specifics because the lines are a bit difficult to see.

Within those RDA set-asides, the City of Las Vegas has two pools. One for affordable housing, which is 9 percent of the 18 percent set-aside, and one for the education set-aside. The other municipalities do not have that carved out for affordable housing. What we are looking for in this bill, and we have an amendment we would also like to offer, is clarification of language ([Exhibit E](#)). We are looking to mirror the exact language in the affordable housing set-aside in section 3, subsection 6 of Assembly Bill 70. In section 1, subsection 2, we are looking for new language to further define "wrap-around services." We attempt to specify what we are trying to do with the flexible language.

Currently, the language suggests that we spend all this money on improving existing public education facilities. When we have looked at the opportunities to go forward and take that money, which is about \$1 million a year, we have been unable to turn that into capital projects until just recently. Betsy Fretwell mentioned the two prekindergarten education facilities that we have been able to invest in. We have Dr. Lisa Morris Hibbler here, who heads our Department of Youth Development and Social Innovation, which is charged with our education innovation areas. She can provide an overview of what we do and what our intent is.

I would suggest that the language we have in statute is well-intended, but has tied our hands in being able to put those dollars to work for our community. As I mentioned, we have had to accumulate those dollars in order to find capital projects to provide education services. One of those areas is Lorenzi Park. The Nevada State Museum used to be in the back of the park, but it is now located at the Springs Preserve. The old state museum building is under renovation to turn it into a prekindergarten school and provide services to that community.

As you are all aware, it can be harder to gut a building and rebuild it for a purpose that it was not originally intended for than to build a new one. You are stuck with those four walls, rather than taking it down, demolishing it, or finding a new property, whether it is property purposes or construction of a facility. We are rehabilitating the museum for prekindergarten education. We are locked in with the language. We are unable to craft a building or facility, and we are locked into the areas that you can get a building and rehabilitate it because it has to be an existing education facility. The second location is across from the Las Vegas Metropolitan Police Department's headquarters. That was a private prekindergarten child care facility. We are rehabilitating that, as well, to turn it into our second prekindergarten location.

The expenditures have come out of the redevelopment set-aside, accumulating at around \$1 million a year, totaled now at around \$3 million. The language we are seeking will allow the flexibility for us to also put those dollars to use in programs that would further our education goals and get those dollars working. If we had this flexible language before, while we would still do these capital expenditures, we would have been able to do some programs to help our early childhood students and get them into kindergarten with advantages to help them grow. We have just missed some opportunities because of the language, and we are looking for these changes to afford us the opportunity to seek out programs. We want to move those dollars into capital expenditures down the line. I do not think we would expend all of the \$1 million a year to our education programs, but we would spend a small portion to further what we would like to do with our new education buildings.

**Lisa Morris Hibbler, Director, Department of Youth Development and Social Innovation, City of Las Vegas:**

The City of Las Vegas has been working on educational support programs going back over 30 years with our after school program, Safekey. With those programs, over the last ten years, we have tried to incorporate other educational supports. We have incorporated literacy, science, technology, engineering, and mathematics. We have the Batteries Included

Youth Initiative, which helps keep young people on track to graduate and help them with college and career readiness.

It is important to know that all the work we do is with partners. We can align and leverage resources to have the greatest impact on our youth and ensure that regardless of where our youth live, they have the opportunity to excel. We have 37 one- and two-star schools, which is about 33 percent of our schools. The work we have been focusing on is in prekindergarten and making sure our kids are not just ready to learn, but excited to learn. We understand that early childhood education is extremely important. Most brain development happens between the ages of 0 to 5. Moving into our K-5 programs, where we have been working with numerous partners on a collective impact. It began with Las Vegas Downtown Achieves and Las Vegas My Brother's Keeper and is now transitioning to full-service community schools with a focus on academic achievement; expanded and extended learning; coordinated and integrated student support services, such as tutoring and mentoring; and family and community engagement. For our kids in our urban core and low-income, high English language learner (ELL) schools, the more coordinated resources we provide, the better the outcomes of the students in those schools. We want to ensure those students thrive and are excelling.

In our prekindergarten infrastructure, we have the two projects on line. Those will provide additional seats as part of the Nevada Ready! High-Quality Preschool Development Grant. We have been aligned with the Department of Education as well as the Clark County School District. We also work with UNLV, Children's Advocacy Alliance, United Way of Southern Nevada, and many other partners. We ask for this language so that those types of services can continue, and we can target the communities that need it most. For example, there was one school where we wanted to create a prekindergarten center. Because the land available was not on the school site, we were unable to do that. It was not an existing public education facility. Those are some of the limitations.

**Assemblyman Kramer:**

I am familiar with redevelopment agencies, and I understand from the first part of your discussion you have a few set-asides. You have one for housing, and you want another set-aside for education. Is this an additional set-aside or the enhancement of a previous set-aside? My understanding is that redevelopment agencies are set up so that as improvements are made to a section of town, the improvements encourage people to shop in the area and encourages new retailers to move into the area to increase the economic vitality of that area. I can certainly see where education is a component of vitality. However, in my mind, the property taxes collected that would go to the school are held back by redevelopment. The increment moves to the redevelopment district instead of the school portion going to schools. If this money, instead of being the education portion of the increment, was going to the schools instead of the redevelopment district, would you have any idea of where it will be spent? Will the same priorities be set? How much would go to schools instead of the amount you are setting aside for education? It seems like a redevelopment agency is supposed to promote that area for economic development. The

education portion would, in my mind, be better addressed by schools. If you have a segment to set aside, why is it not going there?

**Brian McAnallen:**

We are not asking for an education set-aside; that already exists in statute for us. We are asking for flexibility in the existing language. You are absolutely right about the purpose of a redevelopment agency and the goals for having one, and why a city would choose to designate an area as a redevelopment area. The whole goal is to rehabilitate that area, to drive businesses to that area to eliminate blight during the recession. If you drive down Charleston Boulevard, closer to the urban core, you will see a number of businesses that have vacated. A lot of retail shopping centers are vacant. Every door or every other door is a vacant business. By designating that area as a redevelopment area, by putting focus there by matching up federal grants and dollars, and by using the New Markets Tax Credit opportunities, we can try to revitalize that area. I was not here when the language was crafted for carving out some of those dollars and dedicating them to education. I would suggest the intent was to ensure those dollars were staying within the RDA, rather than those property tax dollars going to the school district and maybe being used in a different area.

We have a buffer area within the RDA that we could use these dollars for. That is part of the existing language as well. The idea is that that set-aside would be targeted to that specific area and existing public education sites within it. It makes it a little difficult. You may have a school there, but you may not have other opportunities to make those investments if there are not specific capital needs. That is exactly what the language tries to drive for. As I tried to express, and as Dr. Hibbler did, it has been hard for us to find an area to make the investments and do the improvements we would like. As Dr. Hibbler pointed out, we have a significant number of student needs in the diverse urban core, whether it is our free and reduced lunch population, ELL students, et cetera. We need extra support to provide the programs that those categorical groups would need. Accessing any and all dollars for those programs would be extremely helpful to meet our overall goal of making a better community for our residents.

I think you are absolutely right with the redevelopment area's purposes and goals. I cannot answer how much money the school district would have received had we not had a specific set-aside. We accumulate about \$1 million a year. For fiscal year 2013 to 2014, we received \$1.143 million in that set-aside account. As the money accumulated, we were able to turn that around with a \$3 million investment for the Variety Early Learning Center.

**Assemblyman Kramer:**

The one part of the answer that I liked was to say this gives you the ability to redirect some of those education dollars right back into the district, as opposed to it going any place in the county because you have one district for the whole county. That enables you to target more specifically. Since your job is the redevelopment district, it allows you to target your district with those dollars.

**Assemblywoman Bilbray-Axelrod:**

As someone who has worked closely with early childhood and ages 0 to 5, I know that the programming and the staffing can be some of the most expensive parts of doing that. Will this bill free up your ability to do staffing of instructors as well?

**Lisa Morris Hibbler:**

It could, potentially, do that. Most of the work we do is contracted with our nonprofit partners, so a lot of that includes both the program and administration for those programs.

**Assemblywoman Neal:**

I was looking at the language of Assembly Bill 50 of the 77th Session to give myself a refresher. In Section 3.5, subsection 1, paragraph (b), subparagraph 2, the language said, "Improve existing public educational facilities located within a redevelopment area." Then I was looking at the 2014 Annual Redevelopment Agency Legislative Report ([Exhibit F](#)) because I could not find the 2017 Annual Redevelopment Agency Legislative Report that was submitted to the Legislative Commission about how the set-aside and the memorandum of understanding (MOU) was actually stated. What I thought was interesting was that in the MOU, it took the "improve" language and used this language of "construction," and it said it would provide some construction costs [page 6, ([Exhibit F](#))]. I want to understand the language in the MOU, which seemed to allow more activity than just improving existing facilities. The exact language in section 3.1 [page 6, ([Exhibit F](#))] in the Annual Redevelopment Agency Legislative Report is, "The City and CCSD may agree to use the Education Set-Aside Funds to provide immediate funding for ongoing projects at existing public educational facilities." That was as an alternative to the issuance of bonds. Talk to me about the limitations and this ongoing list [page 17, ([Exhibit F](#))]. Did the list get shortened? Did we decide there was nothing on the list? Because I have heard that paint is a limitation, but that is not the way the language reads. I want to discuss A.B. 50 of the 77th Session, the ongoing project list, and the "construction" language.

**Lisa Morris Hibbler:**

The MOU you are referencing was put together by the city and the school district so we could jointly identify projects. Originally the projects identified were Rex Bell Elementary School and West Preparatory Elementary School. A joint meeting with the school district after the bond rollover occurred in 2015 resulted in those projects moving to the school district's capital projects. At that point, it was agreed that we would invest in prekindergarten. We had the Nevada Ready! High-Quality Preschool Development Grant. We had obligations to create new seats in targeted ZIP Codes that fell within the RDA. That was how those projects came on the list. We continue to meet with the school district to see what the next projects are as funding becomes available. That was a lot of what you were referring to in the MOU. Regarding the construction costs, one of the things that we talked about with the district was that there was not an appetite to bond projects without the money being there. We have been doing projects on an accrual basis. When you talk about some limitations, the language that was changed in 2011 was more restrictive in 2013. It limited

the ability for projects to be identified that were not existing public education facilities. The request here was to amend the language to include the public education activities and programs, which neither in the language in 2011 nor in 2013.

**Assemblywoman Neal:**

What if we legislate in the space of early childcare? Assemblywoman Diaz has an early child care bill. Technically, if that bill passes this session, you are knocked out of the space. Then what do we do with a competing measure? Have we done everything we can do with other needs in the redevelopment area? Maybe the set-aside can be used for other activities within the redevelopment area that advance businesses versus where we are going now. Maybe we could use capital set-aside funds, help the Urban Chamber of Commerce, et cetera. The whole area has needs, as we discussed. Why get into education? I feel that you are stepping into a lane that does not belong to you. I understand you want to help, but that is not really the point. It is the action and purpose of government not to cross into other jurisdictions.

**Lisa Morris Hibbler:**

In terms of the bill that Assemblywoman Diaz has, I am not familiar with what that language indicates. I can tell you that the City of Las Vegas has been working collaboratively with early childhood partners. Right now we have inadequate infrastructure. Even if there was something legislated about early childcare, we still need more infrastructure. We need high-quality, affordable early childhood education, which we just do not have. Hence, why we have the Nevada Ready! grant. I think that anything that can be done with other bills will align with and be leveraged off Assembly Bill 70.

Whether the funding could be used to expand business creation and development—I am sure it could be used for a lot of things. In 2011, there was an emphasis on using it for education and affordable housing. In 2031, 18 percent of it would all go to education set-asides. I think it is important to know that the space we are in right now is a space that the city should be in. It is a space that counties across the country are in. The United States Conference of Mayors and our National League of Cities are encouraging mayors and cities to work more collaboratively with their local school districts and their higher education institution partners. At the end of the day, all these kids are ours. Whatever we can do to ensure their successful future, we should be doing. We want to play our part, and we have been very careful not to extend into areas that are not ours but to play a supportive, alignment role.

**Assemblywoman Neal:**

I know the city gave money to Kermit R. Booker Sr. Innovative Elementary School and was helping with the My Brother's Keeper summer learning program. What were the results from that program? Do we have data on academic achievement or children we were tracking in the summer who are now in the next school year? Do we have any measurement on the impact of the program other than the principal's opinion?

**Lisa Morris Hibbler:**

Yes. The City of Las Vegas funded the My Brother's Keeper summer learning program at Booker Elementary for the past two years. I can get you the evaluation of that. It did show that we had gains in K-3. The program was for summer literacy. In the summer, kids who are already academically behind have a tendency to slide. The intent of the summer learning program was to keep these kids engaged through the summer and focus on their academic deficits within the school, so when they came back in the next school year, they have not lost all the gains they made in the previous school year. With that, we did see gains in kindergarten, first, second, and third grades. We did not see it so much in the fourth and fifth grades, so we are looking at that for this year. We have been working with other schools in the area to offer summer learning programs, which are critical in ensuring our kids do not lose the skills they gained during the school year. I will provide that report to you.

**Chairman Flores:**

Will you walk us through the bill, please?

**Brian McAnallen:**

We are only attempting to change a few sections in A.B. 70. You will see in section 1, subsection 1, we add in a new section that would define "public educational activities and programs" since we are asking for the flexibility to move into that arena. We tried to detail some of those areas: early childhood education programs, literacy programs, and summer school. In our amendment, we pull out the term "school" so that it is "summer learning programs" ([Exhibit E](#)). Some of those programs may not be within a school, especially if a school is not operating or providing summer programs. We may be able to do those at a community center or in another location.

Section 1, subsection 2 of the bill is another area we would like to amend. The proposed language in front of you has a section that defines "wrap-around services." In our amendment, we are seeking language that would suggest that "wrap-around services" means the following: "a continuum of integrated student supports and supplemental services provided to a pupil that reinforces an environment both at home or at school conducive to learning and transitioning from early childhood education through post-secondary education and into the workforce" ([Exhibit E](#)). We are trying to define that continuum of care for a student.

Finally, in section 3, subsection 6, paragraph (a), we mirror the language that exists for the housing set-aside by adding the word "increase," and we reference the support for public education activities and programs in paragraph (c).

**Assemblywoman Monroe-Moreno:**

Are there other cities nationwide that have implemented this? Or will Nevada be the first?

**Brian McAnallen:**

I do not know whether there are other cities in the United States that have specific set-asides for education within their RDAs. I think one of the things that both Dr. Hibbler and I will learn about when we go to the United States Conference of Mayors with Mayor Goodman is innovative education opportunities. When you look across the United States, a lot of municipalities handle education differently. Washington, D.C.'s school district is a function of their city government. That city council has authority over education and appoints a superintendent to run the school system. You have the same thing in other jurisdictions, like Philadelphia. The reporting structure is very city-based in different jurisdictions. They have the whole A-Z operational aspects of education. I think all of our redevelopment agencies throughout the state have this education set-aside requirement. I would not presume to speak to how they expend those funds.

**Lisa Morris Hibbler:**

There are several cities with similar funding mechanisms. It may not be an RDA set-aside, but another type of levy or tax. Denver is a good example. Seattle and San Antonio both have levies that provide affordable early childhood education for their communities, from no-cost to sliding scale. There are different funding mechanisms across the country.

**Assemblywoman Neal:**

In regards to the wrap-around services, we have statutory language within the Victory Schools Program where we provide wrap-around services. Say A.B. 70 passes and you want to get into the business of wrap-around services. What does that look like? Let us say you want to do wrap-around services at Matt Kelly Elementary School. They are an existing Victory School. What are the add-ons or things you believe you can deliver, improve, enhance, or preserve with that public policy authority?

**Lisa Morris Hibbler:**

Right now, not using the RDA set-aside, we contract out to communities and schools to have a coordinator on-site to help the principal and staff so that they do not have to provide those services to the students themselves. If a kid is hungry or needs electricity in the home, instead of the teachers and school providing those resources, we have the communities and schools provide those resources. We contract with the Public Education Foundation to provide a literacy program and a family learning center. They leverage our funds with other grant funds to do that. In the next school year, we have submitted a grant for AmeriCorps so we can have additional members on the school site providing after-school tutoring. We will have student success mentors to help with attendance and ensuring we can follow up with families and ensure kids are coming to school every day. In some schools, chronic absenteeism is a real issue. We have kids with double-digit absences within the first month. The Victory School program's dollars have been extremely helpful for Matt Kelly and other schools; however, there are other areas in which we align and leverage the resources we bring to the table. In particular, with Matt Kelly, where you have a small student population, but they have significant needs, we make sure that every dollar that goes into that school matters. We also evaluate all of what we put in. All our non-profit partners participate in an evaluation so we can know if we are making a difference or not.

**Assemblywoman Neal:**

Matt Kelly has specific Title I funds. I thought they had an existing family learning center under their Title I funds. I know they have a health center on campus. When you talk about the partners leveraging the money to show outcomes, do we have data that shows how those children have expanded or progressed in terms of having a coordinator. I thought the victory funds also provided a coordinator, or gave the flexibility for one of the front staff members to be a person who also coordinated activities. Now you are saying you have two on campus. What is the effect? For me, provide me the data after the hearing. I am curious on the leveraging.

**Lisa Morris Hibbler:**

I can provide the data. We will paint a picture so you can see how those funding sources align. When I say that we are working with communities and schools, the school may pay \$17,000 out of their Title I funding for the Communities In Schools program, but they need a sponsor. We have been their sponsor, and we pay \$41,000 for that program to be on campus. If we are working with the Public Education Foundation to provide a literacy bridge program so our kids in K-2 come in close to grade level and keep them there, those are additional resources being leveraged. Everything you are saying is spot-on. This is just an add-on to that. We have significant children at Matt Kelly that are not at grade level. That means there is a lot more work we need to be doing. In terms of data, we are looking at that now. This was the first year we had the full-service community school approved by the Clark County School District and supported by the Department of Education. We spent a lot of time making sure that we moved from just programs on a campus to an integrated approach to ensure all the partners on the campus are working in concert for the outcomes we seek. That is a shift in where we have been. Yeah, we have five to ten programs on the campus, but are we working in such a way that we will achieve those academic outcomes we seek? Everything we have been doing has been about achieving those academic outcomes. I hope that we can come back in a few years and not having 33 percent of our schools be one- and two-star schools.

**Assemblywoman Neal:**

I am not against education or help. I do believe people should stay in their lane. In section 3 of your proposed amendment ([Exhibit E](#)), you talked about building an actual facility. If you build a facility, you control and maintain the facility. You provide the lights and the staff. There is a vision to build a structure and have it housed for a public education function. Is this enough money to support that type of activity? It sounds like there was more than one idea to build a structure. Since improving or preserving an existing public facility was a limitation, you want to build one.

**Lisa Morris Hibbler:**

The previous language was, "Improve . . . existing public education facility." In terms of "increase," "preserve," or "enhance," that was from the original language in 2011. I can walk you through it at the Lorenzi Park location, where we will colocate the school district and Variety Early Learning Center. We will have 13 new classrooms to provide care. We have been working with United Way because they have their prekindergarten expansion grant.

That will provide some funding to the Variety program. In addition, we have been working with the Variety program to improve the quality of the services they provide. Our goal is to ensure the prekindergarten we bring on-line have a quality rating and improvement system rating of four or five stars. We are looking at areas that had already been studied to show where we have voids in the community for access to early childhood education. Some of that is already at the school district where they have prekindergarten classrooms. However, not every area has that. They provide 10,000 seats to our children. In terms of "increase," there might be a place where we mutually would like to have an early childhood education center to provide adequate programs to those children. It may require us to build because it does not exist. Or, in our older communities where space is a problem, we may have an adjacent location. That is why we have the terminology "increase" because sometimes we might be increasing. It may be a new build.

**Assemblywoman Neal:**

I want to know the cost estimate. In the 2014 report, there was an allocation of \$3 million for the Variety Early Learning Center [page 2, ([Exhibit F](#))]. What would these 14 classrooms cost? Is the city paying for these classrooms to be created? What is the impact to the set-aside? Let us say there is \$4 million in the set-aside right now. What is the estimate cost just to do the activity you described?

**Lisa Morris Hibbler:**

The two projects are the Lorenzi Park project and the Strong Start Academy. The city's contribution is using the set-aside to renovate those properties. I can tell you that sometimes renovating properties is not the best way to go. Sometimes it costs us more to renovate than it would be to build new facilities. In the earlier discussions with the school district, they were talking about some prefabricated facilities being used in other communities that may have been cheaper than if we had done the renovation work. I do not know the exact cost for each project, but I can tell you what we have spent on our current projects.

**Assemblywoman Neal:**

You mentioned there was a member on the Committee that asked about teachers. Will you be hiring teachers? That gave me pause for concern. Can you clarify the statement?

**Lisa Morris Hibbler:**

My understanding of what Assemblywoman Bilbray-Axelrod asked was whether those funds could be used for staffing. We often contract with nonprofit partners, and they certainly will use some of that for administration and programming. In my definition, when you are talking about prekindergarten programs, the program itself is the teacher. The funds would be used for the programming and the teacher.

**Assemblywoman Bilbray-Axelrod:**

If I could clarify my question to Assemblywoman Neal, I was referring specifically to Family to Family Connection, a program for kids ages 0 to 5. It is a family engagement program. A lot of times with grants both locally and federally, there are limitations on what

you can use to pay salaries. These are low salaries, but often you can only use those grants for specific things.

**Assemblyman Daly:**

I agree with this bill. Essentially, we have redevelopment districts that are applying 18 percent of the money that they could put other places to education. That money could be spent on the RDA, kids in the RDA, or something adjacent. The language you are proposing is allowing you, with the amended language, greater flexibility to supplement and assist people with preschool education. There is a greater nexus of where you can use the money, and you can use it from anything from assisting the school district in building an extra structure, building something related to education, helping parents with preschool, kindergarten, et cetera. It gives you the best bang for your buck to meet the goal from K-12 in the continuum. I think you will do some good things. Having greater flexibility to apply that money where it is most needed is noble. I applaud you for taking the effort.

**Brian McAnallen:**

That was an excellent summary. I appreciate that.

**Assemblyman Kramer:**

To me, you already have the authority to use 18 percent of the revenue for the redevelopment district to improve, preserve, and enhance the operation and viability of low-income households in your redevelopment district. Now you are saying you want to take that 18 percent and use a portion of that, or any of it that you want, for educational infrastructure within your district. Again, the other limit on this, this statute deals with cities of over 500,000 people. I think Las Vegas is the only city with that population; maybe Henderson is close. I am looking at this as a bit of home rule. You will be able to determine what you want to do with the redevelopment money, and not necessarily say every redevelopment agency in the state has the same rules. I am in favor of home rule. In this case, your city council, through your city manager, is heading your redevelopment agency. That is not always the case. They are directing your redevelopment agency to put its money where it makes the greatest impact on your redevelopment area. If this is where they see it, I think the language you have here would fit the definition of home rule. To me, this comes down to a home rule issue of how you spend that 18 percent that does not have to go to the economic development of the redevelopment agency, but it can be sidetracked to housing or education.

**Brian McAnallen:**

You are correct in your comments, directions, and observations. I would clarify that we are setting aside money for low-income housing, as well. This is not a replacement of those dollars. Those will still be acquired and expended in the low-income housing area. This is just the flexibility within the education set-aside. We are not replacing one set-aside for the other.

**Assemblyman Kramer:**

Is there an additional 18 percent set-aside for education? I do not see that in section 4. It looks like the 18 percent is set aside for housing, but now you are changing to support public education activities and programs.

**Brian McAnallen:**

In section 4, subsection 1, paragraph (d) of A.B. 70, you will see, "Eighteen percent of that revenue received on or after October 1, 2011, but before March 6, 2031." That shows when it would sunset on the section 4 affordable housing. Then it would all be education at that point in time. In section 4, subsection 1, where it has the population cap of 500,000, you are absolutely right. That is specific to the City of Las Vegas only. In section 4, subsection 1, paragraph (a), you will see 15 percent of the revenue received between that time period to increase, improve, and preserve the number of dwelling units in the community for low-income housing. That is the low-income housing set-aside.

**Assemblyman Kramer:**

I do not see where it gives a set-aside for education in addition to the set-aside for housing. It looks to me like the education is coming out of the housing set-aside.

**Jim Penrose, Committee Counsel:**

I am looking at the same language Mr. McAnallen referred to. Existing law during the period between October 1, 2011, and March of 2031 provides for a diversion of that set-aside between expenditures relating to dwelling units and the improvement of public educational facilities. Under existing law, there is the ability to spend money for both of those purposes. This amendment, as I understand it, and the bill itself, simply gives the redevelopment agency greater flexibility with respect to that part of the money that goes to educational facilities. There is the ability to spend money for both purposes.

**Chairman Flores:**

Are there any other questions from the Committee? [There were none.] Is there anyone wishing to testify in favor of the bill?

**Richard A. Derrick, Assistant City Manager, City of Henderson:**

The City of Henderson supports A.B. 70. The city has been an active partner with the Clark County School District, and we believe the ability to utilize RDA set-aside funds for public educational activities and programs can greatly improve student outcomes. By expanding the use to include early childhood education programs, literacy programs, summer programs, and wrap-around services, important resources can be directed to assist schools to increase student academic performance.

**Craig Stevens, Director of Intergovernmental Relations, Clark County School District:**

We support A.B. 70. Clark County School District already has an MOU with the City of Las Vegas for the expansion of the RDA funds. Assembly Bill 70 simply expands the scope of the services that can be brought to Clark County School District and its urban core. The Legislature, in previous sessions, already expanded the funding and ability to support

students in need and poverty. The work already ongoing in the prekindergarten realm, as well as in the Downtown Achieves partnership, is amazing. We believe A.B. 70 helps us continue this partnership in supporting its students, and the focus on wrap-around services has been successful in Clark County School District's Victory Schools, and we believe in a coordinated effort. We believe this MOU also provides that. This would be another tool in the toolbox to help bring students to achievement.

**Theodore Small, Vice President, Clark County Education Association:**

For an example from Henderson, Robert L. Taylor Elementary School does not receive any extra services, such as Zoom Schools initiatives or Victory School funds because they are a three-star school. However, they have a population of over 80 percent on free and reduced lunch. This is an example where the City of Henderson could fund extra support for that school. This is our fourth year being a partner with the City of Las Vegas on improving education. We started that work with UNLV and the Downtown Achieves project. We are doing community surveys and focus groups on leadership in schools. We have also been talking to communities about how to improve the work supported through Downtown Achieves and My Brother's Keeper. We utilize a collective impact model, and we have worked on issues around housing and decreased transiency. We work on attendance issues and incentives to get students to come to school. We have been working on teacher vacancy and teacher quality issues. We have those important partnerships with the City of Las Vegas. We encourage the continuation of improving these communities. New teachers are getting support in our Peer Assistance and Review program. I appreciate the idea of staying in your lane, but the students and families in a lot of these schools do not care whose lane we are in. I think it is important to talk about community supports and look across different entities to encourage growth in these schools. It is important for retention. Through our current contract, we have incentives for teachers to be retained in many schools. There is a lot we can do in partnership with other programs in these cities to improve the schools.

**Steven Augspurger, Executive Director, Clark County Association of School Administrators and Professional-Technical Employees:**

We are in support of this bill. I agree with the testimony before me. I commend the City of Las Vegas and the City of Henderson for their close support in working with education.

**Assemblywoman Neal:**

I do not know why I am thrown off by this bill. I am typically in favor of education. You have been a part of the reorganization conversations. Now with this site-based model we are going to, what do you think is going to be the effect of this program? I can see it being a good thing, but I can also see us crossing over lines about who is responsible for what. I want your opinion.

**Steven Augspurger:**

I think it is a natural evolution of the transformation of the Clark County School District to a service organization that we see embedded in Assembly Bill 394 of the 78th Session. It gave additional autonomy and authority to the schools, and layered in there greater involvement from public agencies, like the cities of Henderson and Las Vegas. I think it is a good thing.

I can illustrate this with a quick story. Some years ago, I was sitting in my backyard, watching the birds devour my apricots. My uncle was there; he was a gardener from Iowa. I complained to him about the birds devouring the apricots, and he said, "There is plenty to go around." I think that is the way we have to look at this. There are plenty of things to go around. There is lots of work to be done. It cannot all be done by the Clark County School District. If we are going to succeed, we have to expect other agencies to be involved in the business of educating children. I do not see it as a conflict at all. I recognize your concern; I think it is a good concern. However, there are no lanes for anybody anymore.

**Assemblywoman Neal:**

I guess it comes down to transparency. We have been trying to follow the money for so long. We are spending money, but we are also trying to figure out how that funding helps the child. I think transparency is probably the thing that is missing. If the report lands at the Legislative Commission and nobody picks it up for 12 months, then there is no conversation we are having mid-term or in three to figure out if these interventions are going well and if children are benefiting from them. I am also trying to ensure that we do not have an influx of people engaging without a real benefit. This community in particular has significant needs.

**Chairman Flores:**

Thank you for your comment. Is there anyone wishing to testify in opposition to the bill? [There was no one.] Is there anyone wishing to testify as neutral to the bill? [There was no one.] I will close the hearing on A.B. 70. Is there any public comment? [There was none.] This meeting is adjourned [at 10:54 a.m.].

RESPECTFULLY SUBMITTED:

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Isabel Youngs  
Committee Secretary

APPROVED BY:

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Assemblyman Edgar Flores, Chairman

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

## **EXHIBITS**

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a document titled "City of Las Vegas: Legislative Agenda and Policies," dated December 7, 2016, submitted by Brian McAnallen, Government Affairs Manager, Office of Administrative Services, City of Las Vegas, and Elizabeth Fretwell, City Manager, City of Las Vegas.

[Exhibit D](#) is a copy of a PowerPoint titled "City of Las Vegas Assembly Committee on Government Affairs," dated February 14, 2017, presented by Elizabeth Fretwell, City Manager, City of Las Vegas.

[Exhibit E](#) is a proposed amendment to [Assembly Bill 70](#), dated February 13, 2017, presented by Brian McAnallen, Government Affairs Manager, Office of Administrative Services, City of Las Vegas, and Dr. Lisa Morris Hibbler, Director, Department of Youth Development and Social Innovation, City of Las Vegas.

[Exhibit F](#) is report number 39-15 submitted by the City of Las Vegas Redevelopment Agency to the Nevada Legislature titled "Annual Redevelopment Agency Legislative Report," dated December 8, 2014, referenced by Assemblywoman Neal.