

ASSEMBLY BILL NO. 334—ASSEMBLYWOMEN
SUMMERS-ARMSTRONG; AND MARZOLA

MARCH 18, 2021

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to affordable housing.
(BDR 22-850)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to land use planning; authorizing, under certain circumstances, the governing body of a city or county to accept a payment in lieu of the performance of certain obligations or impose a linkage fee on certain developers to pay for the development of affordable housing; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the governing body of a city or county to regulate and restrict the improvement of land, taking into account the availability of and need for affordable housing in the community. (NRS 278.020) Existing law further requires the governing bodies of certain cities and counties to: (1) ensure an adequate supply of affordable housing when implementing a master plan; and (2) adopt certain measures to maintain and develop affordable housing to carry out the housing plan required in the master plan. (NRS 278.230, 278.235) Existing law also authorizes the governing body of a city or county to adopt zoning regulations that, in relevant part, ensure the development of an adequate supply of affordable housing in the community. In exercising such power, the governing body of the city or county may use any controls relating to land use or principles of zoning that the governing body determines to be appropriate, including, without limitation, density bonuses, inclusionary zoning and minimum density zoning. (NRS 278.250)

Section 1 of this bill authorizes, under certain circumstances, the governing body of a city or county to: (1) accept a payment of money in lieu of the performance of an obligation related to the development of affordable housing imposed upon a developer by the governing body; or (2) impose a linkage fee on residential, commercial or industrial development. **Section 1** further requires that any such payment of money or linkage fee be deposited into a trust fund established by the governing body and used only to pay for the development of affordable housing in the city or county, as applicable.



22 **Sections 2 and 3** of this bill make conforming changes to indicate the
23 placement of **section 1** in the Nevada Revised Statutes.

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

1 **Section 1.** Chapter 278 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 1. *Except as otherwise provided in subsections 2 and 3, a*
4 *governing body may:*

5 (a) *Accept a payment of money in lieu of the performance of*
6 *an obligation related to the development of affordable housing*
7 *imposed upon a developer by the governing body; or*

8 (b) *Impose a linkage fee on any residential, commercial or*
9 *industrial development for the purpose of assisting in the*
10 *development of affordable housing that the governing body*
11 *determines will be necessary as a result of the development. Such*
12 *determination must be based on a finding that there is a*
13 *reasonable relationship between the new development and the*
14 *need for the affordable housing.*

15 2. *A governing body may accept a payment of money or*
16 *impose a linkage fee pursuant to subsection 1 only if authority for*
17 *such action has been adopted by ordinance as part of the*
18 *governing body's affordable housing policy.*

19 3. *A linkage fee imposed by a governing body:*

20 (a) *Must not exceed:*

21 (1) *For an industrial development, \$5 per square foot;*

22 (2) *For a commercial development, \$3 per square foot;*

23 (3) *For a multifamily residential dwelling, \$1.50 per square*
24 *foot;*

25 (4) *For a single-family residential dwelling that is 4,000*
26 *square feet or more, \$1.50 per square foot; and*

27 (5) *For a single-family residential dwelling that is 1,500*
28 *square feet or more but less than 4,000 square feet, \$0.75 per*
29 *square foot.*

30 (b) *Must not be imposed for the development of:*

31 (1) *A public or private educational institution;*

32 (2) *A religious institution;*

33 (3) *A multifamily development that includes less than 10*
34 *individual dwelling units;*

35 (4) *An owner-occupied small business that is less than*
36 *5,000 square feet; and*

37 (5) *A single-family residential dwelling that is less than*
38 *1,500 square feet.*



1 **4. Any payment of money or linkage fee received pursuant to**
2 **subsection 1 must be deposited into a trust fund established by the**
3 **governing body and used only to pay for the development of**
4 **affordable housing in the city or county, as applicable.**

5 **Sec. 2.** NRS 278.010 is hereby amended to read as follows:

6 278.010 As used in NRS 278.010 to 278.630, inclusive, **and**
7 **section 1 of this act**, unless the context otherwise requires, the
8 words and terms defined in NRS 278.0103 to 278.0195, inclusive,
9 have the meanings ascribed to them in those sections.

10 **Sec. 3.** NRS 278.0235 is hereby amended to read as follows:

11 278.0235 No action or proceeding may be commenced for the
12 purpose of seeking judicial relief or review from or with respect to
13 any final action, decision or order of any governing body,
14 commission or board authorized by NRS 278.010 to 278.630,
15 inclusive, **and section 1 of this act** unless the action or proceeding is
16 commenced within 25 days after the date of filing of notice of the
17 final action, decision or order with the clerk or secretary of the
18 governing body, commission or board.

