

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

**Eighty-First Session
February 17, 2021**

The Committee on Government Affairs was called to order by Chair Edgar Flores at 9:01 a.m. on Wednesday, February 17, 2021, Online. 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/81st2021.

COMMITTEE MEMBERS PRESENT:

Assemblyman Edgar Flores, Chair
Assemblywoman Selena Torres, Vice Chair
Assemblywoman Natha C. Anderson
Assemblywoman Annie Black
Assemblywoman Tracy Brown-May
Assemblywoman Venicia Considine
Assemblywoman Jill Dickman
Assemblywoman Bea Duran
Assemblyman John Ellison
Assemblywoman Susie Martinez
Assemblyman Andy Matthews
Assemblyman Richard McArthur
Assemblywoman Clara Thomas

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

None

STAFF MEMBERS PRESENT:

Jered McDonald, Committee Policy Analyst
Erin Sturdivant, Committee Counsel
Judith Bishop, Committee Manager
Geigy Stringer, Committee Secretary
Cheryl Williams, Committee Assistant



OTHERS PRESENT:

Debra March, Mayor, City of Henderson
Richard Derrick, City Manager and Chief Executive Officer, City of Henderson
Ed Lawson, Mayor, City of Sparks
Dora Martinez, representing Nevada Disability Peer Action Coalition

Chair Flores:

[Roll was taken. Committee rules and virtual meeting protocol were explained.] We will start out this morning with the presentation from the City of Henderson. Good morning and welcome.

Debra March, Mayor, City of Henderson:

Good morning Chair Flores, Vice Chair Torres, and esteemed members of the Assembly Government Affairs Committee. I am Mayor Debra March of the City of Henderson. Thank you for inviting me to share with you a snapshot of what makes Henderson such a premier community.

I have been fortunate to serve as Mayor of Henderson since June 2017, and prior to this role, I served as a member of the City Council from 2009 until being sworn in to my current office. Although today I represent the City of Henderson, I am proud of the regional role that we play in this state. I am honored to be the first woman and first mayor appointed to serve as Chair of the Regional Transportation Commission. I also serve as Chair of the Regional Flood Control District.

Henderson is proud to have spearheaded Southern Nevada Strong, the first comprehensive regional planning initiative in our region, which has expanded regional planning and collaboration in southern Nevada ever since. We continue to work closely with regional organizations and other cities in southern Nevada and throughout the state on many shared strategies. I bring a regional perspective to many of the issues facing Nevada, but today, we are here to represent the residents, businesses, and employees in the City of Henderson to ensure their voices are being heard here in Carson City and that their needs can be known and addressed.

Henderson is Nevada's second-largest city, with a population of more than 330,000 residents. We welcome an influx of new residents each month who are drawn to our community because of its exceptional quality of life, award-winning parks and trails, and expanding economic opportunities. Henderson is also Nevada's largest full-service city, providing police, fire, water, and wastewater services to the families and businesses who call Henderson home.

I am fortunate to serve alongside a dynamic city council that is committed to maintaining what has made Henderson such a special place to live, learn, work, and play for people of all ages and from every background. Today you will also hear from Henderson City Manager

and CEO Richard Derrick, who leads our team of city employees and has been proudly serving his hometown since joining us in 1999.

I want to take a moment to also thank all of the members of the Nevada Legislature for your dedication to carrying out the duties of the offices for which you have been elected to serve. As a representative of local government, I believe strongly in the partnership that we have with the state and recognize the importance of working together to serve the people we represent.

The COVID-19 pandemic has again shown us the importance of this partnership and highlighted the collective role that we all share in ensuring the health, safety, and economic vitality of communities across Nevada. I am extremely proud of the City of Henderson's response to COVID-19. As a city, we were prepared for immediate emergency response and our community has come together to help friends, neighbors, and loved ones. We had the lowest transmission rates in the valley due in part to our efforts to mitigate the spread of the virus. You will hear more later in this presentation about services that we provide to Henderson residents that have been vital during the pandemic, including paramedic response, child care, educational support, meals for homebound seniors, and assistance grants to help families cover rent, utilities, and the cost of Internet services. We also serve the needs of our businesses to ensure the safety of their customers and staff and to keep workers on the job.

While we continue to prioritize health and safety—including robust participation in vaccine distribution efforts—we are also focused on the recovery of our community and restoring the vitality of our economy. I appreciate your collaboration and look forward to working together on the challenges and opportunities that lie ahead.

Thank you again for the opportunity to join you today. It is truly my pleasure to introduce Mr. Richard Derrick, City Manager and CEO of the City of Henderson.

Richard Derrick, City Manager and Chief Executive Officer, City of Henderson:

Thank you, Mayor March, and thank you Chair Flores, Vice Chair Torres, and members of the Assembly Government Affairs Committee. My name is Richard Derrick, City Manager and Chief Executive Officer for the City of Henderson. Thank you for inviting us to be with you here today.

Henderson is a council-manager form of government like most cities in southern Nevada [page 2, [Exhibit C](#)]. Mayor March serves alongside her respected City Council colleagues which include Councilwoman Michelle Romero, Councilman Dan Shaw, Councilman John Marz, and Councilman Dan Stewart.

I would like to introduce you to my executive leadership team [page 3]. From right to left on the screen are Assistant City Manager and Chief Strategy Officer Stephanie Garcia-Vause, Deputy City Manager and Chief Operating Officer Bristol Ellington, and Assistant City Manager and Chief Infrastructure Officer Robert Herr. My leadership team or various department heads and subject matter experts from our outstanding staff may be testifying

before you on various bills. If you have any questions for me or anyone at the City of Henderson, please do not hesitate to reach out to us.

Even during the pandemic, Henderson has continued to experience sustained growth with our population now exceeding 332,000 [page 4, [Exhibit C](#)]. This places additional pressure on our infrastructure, public safety, and utilities, especially in fast-growing West Henderson along St. Rose Parkway from Eastern Avenue to Interstate 15 (I-15). We are the largest full-service city in Nevada, providing police, fire, emergency medical services, parks and recreation, public works, water, and wastewater services. We are incredibly proud of our accredited departments and will be discussing these services and the city's finances over this presentation. The city's unemployment rate sits at 8.8 percent as of December 2020, compared to 3.2 percent from the same period in 2019. As with all of southern Nevada, we saw a spike in unemployment to nearly 30 percent right after the Governor's initial shutdown order this past March, and it has been dropping every month since then. We still have a significant way to go to get back to full employment, and the city is committed to working towards getting this virus under control and getting people back to work as soon as possible.

Over the years, Henderson has grown into a mature, vibrant, and sophisticated city. Henderson is a place to call home, and we consistently strive to provide premier services, amenities, and opportunities for a great quality of life. That means investing in our students to help them become productive citizens and a skilled, educated workforce. That means ensuring our city is safe. It also means providing quality job opportunities and providing good roads and accessible parks and trails for outdoor recreation. That is the quality of life that people expect when they come to a community like Henderson.

We are consistently recognized for our premier parks and trails and are proud to be a two-time gold medal winner for the best parks and recreation system in the nation, as awarded by the National Recreation and Park Association. In 2020, we were honored once again to be a gold medal finalist. We have twice been honored with international Outstanding Building of the Year (TOBY®) Awards from the Building Owners and Managers Association for our Whitney Ranch Recreation Center and our Heritage Park Senior Center and Aquatic Center. This past year, we were ranked as the second-safest large city in America, both by Money Geek and AdvisorSmith. We achieved that status thanks to our nationally accredited police and fire departments. Our police department is accredited by the Commission on Accreditation for Law Enforcement Agencies. Our fire department is one of the nation's only triple-accredited fire agencies: accredited for fire, ambulance, and emergency management services.

We are also proud of our American Public Works Association-accredited Public Works and Utilities Departments. The City of Henderson has close to \$200 million worth of buildings, roads and parks under design or construction this calendar year—critical infrastructure projects that will help our economy recover and create and protect jobs. We are also actively working with Governor Steve Sisolak and State Treasurer Zach Conine to accelerate projects that would create significant jobs and speed economic recovery. We plan to seek funding to accelerate significant regional roadway projects such as proposed interchanges on I-15 at Via

Nobila and Sloan Road, high-traffic interchanges along Interstate 215 (I-215) at Green Valley Parkway and Pecos Road, and updating the I-215/Interstate 515 interchange that is badly out of date with current traffic demand.

Our Utilities Department is working with the Southern Nevada Water Authority on the horizon lateral to bring additional infrastructure to West Henderson and the western part of the valley, and we are pursuing utilities expansions at Nevada State College in order to support its growing student population.

Affordable housing remains one of the city's pressing concerns as we recover from COVID-19. A Kenny Guinn Center for Policy Priorities study showed that almost 250,000 Clark County residents, and 20,000 residents in Henderson, could be at risk of homelessness if economic conditions do not improve. We will discuss this more in our COVID-19 response section, but we provided more than \$1 million of our U.S. Treasury Coronavirus Aid, Relief, and Economic Security (CARES) Act funds for rental and mortgage assistance, and we continue to work with Clark County to support residents in need with rental and mortgage assistance funds approved by Congress late last December.

The City of Henderson prioritizes efforts to revitalize maturing neighborhoods in our city through redevelopment efforts. Currently, the city has five redevelopment areas. The Downtown Redevelopment Area pictured here [page 13, [Exhibit C](#)] is the historical heart of the city, where our partnership with the Black Knights Sports and Entertainment LLC on Lifeguard Arena has already paid off. Opening this past November at the former site of the Henderson Convention Center, the arena has been a catalyst for business investment and social activity in the historic Water Street District. Private investment abounds throughout the District with numerous large, mixed-use projects planned, in progress, or recently completed.

Lifeguard Arena is not only home to the Henderson Silver Knights, our city's first professional sports team, but it also serves as a community ice rink with youth and adult hockey leagues, and open skate events for all Henderson residents. Additionally, a public-private partnership is building the Henderson Events Center, a facility like no other in Henderson. This new, state-of-the-art entertainment venue will expand opportunities for Henderson residents to work and play, featuring Silver Knights home games, the Henderson Symphony and performing arts, and community events like graduations. A number of impactful projects in Henderson are helping to diversify the economy of southern Nevada. As part of the region's growing sports economy, our city is now the home of the Henderson Silver Knights, the Las Vegas Raiders headquarters, and another sports team may soon be calling Henderson home as well.

We are growing our technology base with the addition of companies like Google and VadaTech. Additionally, Amazon opened a 600,000-square-foot distribution center last year and is currently constructing one of its last mile delivery distribution centers in West Henderson. Haas Automation, the world's largest manufacturer of machines that build machines, broke ground last year on their 2.4-million-square-foot advanced manufacturing

center, which will bring 2,500 jobs over the next decade. We are also working with Haas, the College of Southern Nevada, and Workforce Connections to develop a Henderson Workforce Training Center for Excellence that will provide advanced manufacturing training for the highly skilled jobs right here in Henderson. Finally, Henderson Hospital West was recently approved to break ground on a 40-acre campus which will include a new hospital and several medical office buildings. Our reputation is building with the world-class companies coming to Henderson such as the Raiders, Amazon, Google, and Vegas Golden Knights. These major players will help us to attract additional high-caliber businesses looking to expand or relocate. Our Economic Development team is working with the Office of Economic Development within the Office of the Governor and the Las Vegas Global Economic Alliance to aggressively target new business. And we are continuing our efforts with Clark County, the Bureau of Land Management, NV Energy, and others to acquire additional land in order to build infrastructure.

Our high-performing public services and other priorities are driven by our five-year strategic plan, which was adopted in 2019 after a collaborative process with input from residents and key stakeholders. This plan aligns with both our Henderson Strong comprehensive plan and the Southern Nevada Strong regional comprehensive plan. Our budgetary process also reflects these strategic priorities, which in turn informs the legislative priorities that we will be working on with you this session. Now, I would like to share how the city responded to the pandemic and used the CARES Act funding.

When Governor Sisolak declared a public emergency in mid-March and ordered nonessential businesses to close, our city was prepared for immediate emergency response but we did not receive any federal CARES Act funding until the end of July. That funding came through Clark County, as the city was not eligible for any direct assistance due to population limits set by Congress. Our allotment equaled about half of the funding the city would have received directly based on population. The remaining funds stayed with the county and were used to support regional services, testing and contact tracing, and to assist the homeless and other at-risk populations. Additional dollars were also held in reserve for surge hospital capacity.

We hear every day from families and businesses about the struggles they have encountered as a result of the pandemic. We worked hard to align our use of CARES Act funds to meet their needs. We were able to step in with recovery grants that are helping businesses cover rent, payroll, and other expenses and to keep their employees and customers safe. We were able to distribute over 500 grants totaling more than \$3.2 million to local businesses. We know there are thousands of residents in our community struggling with utility payments, distance learning, and child care costs. We funded resident recovery grants to provide assistance for those needs and worked with HopeLink to provide another \$1 million for rental assistance. We set up emergency child care for health care workers and first responders within 12 hours of the initial shutdown at no cost to these families so they could respond to the COVID-19 crisis. We have continued providing critical child care—and expanded its availability—through our Battle Born Kids and Battle Born Academy programs, providing a safe space for children to engage in remote learning with the help of staff and tutors. We received very

positive feedback from our community on the grants and services provided during these trying times, and we wanted to share just a few thank-you messages from residents and local businesses to provide insight into the impact they had [page 22, [Exhibit C](#)].

We hope to provide even more support if Congress approves additional COVID-19 relief funds in the coming weeks. The city allocated the \$29.6 million in CARES Act funding we received through Clark County into several key areas of support for the community [page 23, [Exhibit C](#)].

- About \$10 million was used for COVID-19 response staff time, including first responders and other staff that have been providing essential services as part of our pandemic response.
- Another \$7 million was dedicated to rental assistance, home utilities support, child care, and connecting students to the Internet so they can engage in distance learning.
- We allocated \$6 million to improving the city's teleworking infrastructure, which enabled over half of the city's employees to work from home.
- We also invested in the creation of a new online process for the submission of development plans, issuance of permits and visual inspections to keep construction services going.
- We have expanded our Meals on Wheels program, doubling the number of recipients and the number of meals served, ensuring that home-bound seniors in need receive at least two meals a day.
- We have provided almost \$3.2 million to local businesses, including \$10,000 each for 100 struggling restaurants to help keep their doors open and employees working during this difficult time.

The city continues to work with the Southern Nevada Health District and Community Ambulance to help administer the vaccine to our residents and first responders according to the state plan. We have prioritized the Sun City Anthem area, where so many of our retired seniors live, with a Point of Distribution for ages 70-plus and hope to expand vaccination operations to additional populations as soon as supply becomes available. We continue to follow the State of Nevada Playbook guided by the Southern Nevada Health District which leads our regional effort to reach the eligible groups across the community with equity and fairness.

We also wanted to provide you with an overview of our budget and the financial effects we are experiencing due to the COVID-19 health and economic crisis [page 25, [Exhibit C](#)]. Our general fund revenues are budgeted at \$262 million for fiscal year 2021. Nearly 70 percent of our general fund is tax-based, leaving only a small portion that we can control as a city. Most of these revenues are established through formulas established by statute. Intergovernmental resources consist mainly of the consolidated tax. Consolidated tax and property tax are by far the largest sources of our revenue.

Public safety remains over half of our general fund budget [page 26, [Exhibit C](#)]. Add in parks and recreation, and 73 percent of our general fund budget goes towards those three

areas: police, fire, and parks. As a city government that provides full services to the community, most of that budgeted expense is in the form of salaries and benefits.

We have maintained those premier services, programs, and amenities with the lowest tax rate among any major city in the state. You can see here [page 27, [Exhibit C](#)] that Henderson's property tax rate is only 74 cents per \$100 of assessed valuation, which is the lowest in the valley. We are fortunate that our property tax revenues have remained stable during this pandemic, but sales tax collections have seen a significant dip due to the economic crisis. This graphic [page 28, [Exhibit C](#)] illustrates the original estimates for our 2020 and 2021 consolidated taxes (C-tax), and the red bar shows the estimated 36 percent reduction in collections. Sales taxes have come in a little better than originally estimated this past fall, but with many of our conferences and trade shows still cancelled or postponed, we do not yet know how we will finish our fiscal year with C-tax. This slide [page 29, [Exhibit C](#)] outlines the adjustments made to our final budget filed with the Department of Taxation. We had to plan for up to \$19 million to be used from our budget stabilization fund. However, we have tightened our belt, made cuts where needed, and instituted both a salary and hiring freeze, so we are hopeful we will not need the full amount budgeted.

In talking with your staff, we know that the Committee is interested to hear how the city is performing with federal grants. We have staff in our Finance Department dedicated to seeking and administering federal grants on behalf of the city. We have received awards from 24 federal programs this year for a total of \$48 million. This represents about a 72 percent success rate for the funds we have requested. We reach out to the federal departments and grant reviewers to solicit feedback about those that do not receive funding, so that we can improve future applications and continue to build on our success. These are our guiding principles [page 31, [Exhibit C](#)] as we continue to recover from COVID-19. We hope to avoid job losses and maintain our critical public services, and we will continue to seek additional federal funds to respond to the pandemic to minimize the need to reallocate city resources. Our resource challenges reside primarily with C-tax and the speed at which revenues will continue to recover, and we are hopeful that Congress will provide additional stimulus funds soon.

The City of Henderson is provided with two bill drafts each session. This year, our mayor and council decided to only present one to you for consideration. Assembly Bill 42 will be heard by the Judiciary Committee and it revises the *Nevada Revised Statutes* to allow municipal courts to conduct jury trials in compliance with the Nevada Supreme Court's decision in *Andersen* [*Andersen v. Eighth Judicial District Court*, 135 Nev. Adv. Op. 42 (2019)]. The bill is permissive and allows a jurisdiction to conduct the trial or refer it to the district court.

We are fortunate to have a government affairs team dedicated to working with you throughout the session, led by Nicole Rourke, our Director of Government and Public Affairs, along with David Cherry, Government Affairs Manager, and Mike Cathcart, Business Operations Manager. They are always available to answer questions and work with you on bills that have the potential to impact the City of Henderson. Thank you, Chair Flores

and members of the Committee. That concludes our presentation. We will be happy to answer any questions you may have.

Chair Flores:

We do have members who have questions. I would ask members to refrain from going into any question pertaining to any legislation, to please keep the conversation broad.

Assemblywoman Torres:

We did not talk too much about the City of Henderson Police Department—I would like to focus on that for a little bit. Can you talk about what efforts the City of Henderson and the police department have made to focus on training for cultural competency and anti-racist and discrimination training, because I know that the City of Henderson over the last year has been under fire quite a bit in the media for allegations of discrimination. I want to know if the municipality has made any decisions to respond to that through training.

Richard Derrick:

The City of Henderson has gone through an interesting time. We went through a police chief who did not fit our culture. We had to part ways with that police chief, but she brought in a wonderful deputy police chief who has been promoted to police chief. He is African American. He has a wealth of knowledge and experience in working in a climate that values diversity and he has implemented training for our police force on inclusion and diversity. We have made great strides in that space. I feel as though the police department is really moving forward and ensuring that we are providing consistency to our community as far as policing goes. As mentioned before, we have been awarded being the second-safest largest city nationally. Our men and women in blue have done a tremendous job policing our community and we will continue to ensure consistency and training, ensure consistency in the way that we are dealing with our community, and I have complete and utmost confidence in our police chief. He is a phenomenal individual who has a great vision for our entire police force.

Assemblywoman Torres:

I do appreciate that the City of Henderson has continued to have individuals of color in leadership positions, not just in the police department but in other areas as well. But I do not think simply having an individual of color is enough, so I would definitely like to get more information about the training that is available. Regarding the matter of the former police chief, I would urge the City of Henderson against using language like "she does not fit our culture." That perpetuates the same rhetoric and the same response that the community has already used. Additionally, it is important that we note that the City of Henderson has continued to keep a lot of the former police chief's policies intact. It is really important to first evaluate what we are looking at and what that culture is defined by, because I have not seen anything that tells me exactly what that difference was, considering the current police chief has kept several of the former chief's policies and regulations in place.

Richard Derrick:

We will forward to you the training that we put our police force through. I apologize for my terminology. As you know, there is history behind our past police chief. We tried to ensure success there and tried our best through training—we were not able to get there. Our new police chief has policies in place. He has made some changes as well. I believe the department is moving forward in a positive way, and we would be happy to share that brief with you.

Assemblywoman Considine:

I have two questions. First, being a new legislator, going through all these presentations has been incredibly educational. What I am noticing in looking at budgets is the definition of public safety, or what areas are within public safety, are considered very differently. Would you please send the Committee a breakdown of the expenditures showing what falls under public safety, what the City of Henderson considers public safety? That would be very helpful to me and others on the Committee.

Second, when I first moved back to Nevada, I lived in Henderson. I lived off what was then Lake Mead Drive. Looking at your plans for the changes around Water Street and knowing a lot of people who live there and work there, my question is about affordable housing. Looking at all of the new plans for that area and knowing that there were neighborhoods that were built in World War II when Basic Magnesium Incorporated was built and for a lot of people those are what they can afford. With your earlier statement about doubling Meals on Wheels, I am curious and interested in what your plan is to keep affordable housing in Henderson for the workers who cannot afford Sun City, Summerlin, or some of those areas.

Debra March:

Henderson is committed to ensure that we have affordable housing for all of our residents to be able to live, work, and play in our community. We have been directed by the federal government that we cannot build additional affordable housing in the area immediately around the Water Street District because we have too much affordable housing in that district. However, we are looking at other areas. We have two or three projects that we are looking to develop in the West Henderson area to ensure that the properties are affordable to be able for our workforce to come into our community. There are many other projects across the City of Henderson that we are looking at as well for affordability: north of the Boulder Highway and other areas throughout the city. We are committed to affordable housing and building it where we can and working with the development community to ensure that they are building the product that our residents need and deserve.

Assemblywoman Considine:

That is great to hear. Will what you are building in the West Henderson area also be close to a transportation hub that is accessible to folks who may not have vehicles and need to travel?

Debra March:

We work closely with the Regional Transportation Commission (RTC) to provide transit opportunities. West Henderson is a relatively new growth area, as is southwest southern

Nevada. We are working closely to try to get expanded services. As revenues have been down, transit has been impacted in southern Nevada. It is an important priority for us, especially in our Henderson Strong strategy and the Southern Nevada Strong strategy, as we look to grow and expand transit to new areas, that folks can get out of their cars. We want folks to be able to travel around the valley and have options and opportunities that include transit. That is going to have a cost associated with it. We are working closely with the RTC and the transit providers for southern Nevada to ensure that we can grow into these areas.

Assemblywoman Considine:

I look forward to seeing how all of that works out. Thank you.

Assemblywoman Brown-May:

My questions are relative to economic diversification. Specifically, I am looking at slide 17 [page 17, [Exhibit C](#)], where you have Haas Automation listed. You talked about workforce training. With regard to Haas Automation, are we looking at workforce development training for that industry alone, or will there be a diversified effort to focus on workforce training? My second question regards Henderson Hospital West. Is that a for-profit entity, or are you looking at a not-for-profit or community hospital?

Debra March:

With regards to Haas Automation and the workforce training that we are looking at for the West Henderson area, we actually worked to recruit Haas into our community knowing that we needed to diversify our economy. After the downturn in 2009, we recognized that we could not be dependent upon the gaming community for the revenues that we had expected in the past. Thus, we looked at recruiting other businesses and industries. I actually sat at a roundtable in 2017, right after I became mayor, with Michael Bloomberg. At that roundtable, we talked about what we needed to be focusing on to recruit businesses and industries for the future; industries that will be here long after we are gone, 100 years from now. When we had the opportunity to meet with the Haas Automation folks, we recognized how critical they were to diversifying the economy; they build the machines that build machines, and they export to over 60 countries. They were a target industry for us. As we are looking at workforce training for this industry, our hope is Haas will trigger other opportunities, other businesses that will want to locate here because we are training this workforce. Haas is taking a risk on us because we did not have a trained workforce, but they are working with us to ensure that we are training up a workforce. Hopefully, other industries that support theirs as well as other advanced manufacturing opportunities will come to our community as well. This workforce training facility will definitely address all of those concerns, so it will not just be limited to Haas, but Haas will certainly be a trigger for future opportunities.

With regards to the Henderson Hospital, it is a for-profit facility. However, just down the street from the new facility that is planned for West Henderson is the St. Rose Dominican Hospital Siena Campus, which is a not-for-profit hospital.

Assemblyman Ellison:

I have two questions for you. There are great questions and answers out there about the hospitals. I am glad you mention the nonprofit hospital because the one we have in Elko is for profit and people are now going out of state; it does have an impact on the community. One of my questions is, an article came out yesterday or the day before on Las Vegas being one of the highest in break-ins in the state. The City of Henderson won the safest city award 2020 to 2021. Right now, with the number of break-ins caused by COVID-19, are you seeing an increase in crime?

Richard Derrick:

We are seeing increase in some crimes in different segments, especially domestic violence crimes—a factor of the pandemic with folks being held down in their homes. We are seeing additional break-ins as well. Those are areas that our police force is targeting, but the overall crime rate for us is relatively low. The nice thing about our police force is they use community policing so they know their surroundings and their neighborhoods, and they are also very data-driven so they are able to target areas where they see patterns of crime activity. They are very successful in being able to counteract the break-ins that we are having with cars and some vandalism. We have some problems-solving units that really focus on those areas; they are part of the proactive response to deal with the crime that is occurring. It is a concern for all of us in community well-being. Part of it is a sign of the times, the pandemic that we are in; there is a lot of added stress in the community. That is why we are trying so hard to provide assistance to businesses and homeowners and trying to help them take some stress out of their lives. We just know we are feeling tension in the community with the pandemic.

Debra March:

Also, the idea of getting kids back into school would be very valuable in terms of looking at the crimes that we are experiencing. Many of them are petty crimes where kids are breaking into cars at night; if those kids were directed and focused on things that they need to be focusing on in school, that may be valuable as well.

Assemblyman Ellison:

That is what I believe, too. To get the kids off the street and back in school and have them focused on the right things—that is a great idea. For closing, my daughter spends a lot of time back and forth to Henderson. She is a hockey addict, so she spends a lot of time in Henderson. She wanted me to tell you that she will be back shortly, as soon as you open.

Assemblywoman Black:

I just wanted to say that in my time on the city council in Mesquite we talked about setting up our financial situation similar to Henderson's. You are always very organized and diligent about being financially sound, which was something that we worked towards while I was on the council in Mesquite. I also want to commend you because I know you really take care of your staff. There were several city staff members when I was in Mesquite who constantly talked about how great it would be to work in Henderson, so I know you are the premier place for taking care of your people. The quality of life and the infrastructure that you are

building in Henderson are phenomenal; I commend you on that as well. I believe you were also working on setting up a preschool. That is great. From an economic development standpoint, you always go above and beyond. I just want to say that I am proud to have part of Assembly District No. 19 be Henderson. Thank you for all that you do.

Richard Derrick:

I appreciate your comments on the preschool. That was something that we—the mayor and council—consciously focused on trying to enhance: prekindergarten for some of the kids in our disadvantaged areas, and we were able to double the capacity in our recreation center, believe it or not. We are not running a for-profit preschool; it is in our rec center, and it provides scholarships for children. It will get kids to school in those critical ages before they join grades K-12. I really appreciate the fact that the city council went out of our lane a little bit; sometimes we are criticized for it, as it is not a typical thing for a city to be involved in, but it is so important for our community to ensure that our kids are ready for school. I really appreciate the leadership that our council has shown in that space.

Assemblywoman Duran:

My concern is homelessness. Has it increased during the pandemic since we have had so much job loss? Do you have any projects for homes to house the homeless people?

Richard Derrick:

Homelessness in the city does exist; sometimes people think it does not occur. It is a valley-wide, very regional issue. We have served on a regional task force looking at homelessness and have worked on different strategies region wide. A lot of social services are coordinated through Clark County. We try to reach those services and bring them to Henderson so we can try to coordinate a regional effort. Right now, we have worked with them in bringing The Harbor to the Water Street District. It is going to provide some services and a conduit back to Clark County Social Service. We are also looking at a contract relationship with a hotel where we can put people up on a temporary basis while they are going through transition. We are trying to think of this as a regional issue and trying to be very strategic in our approach. It is a challenge, obviously, for folks who may be losing their homes. That is why we appreciate the extension of maintaining folks in their homes and not allowing them to be evicted. We spend a lot of time and actually put our money—we just got a direct allocation from the federal government for rental assistance—working with the county on a very regional approach so when folks put forth their applications, we are looking at them valley-wide, not just at the City of Henderson. It is an effort and an issue that is valley-wide, but I believe cities are taking a strategic approach, looking at it from a regional perspective.

Assemblywoman Duran:

Is there a place that can provide wraparound services for the people that you have, to ensure that they can continue, or help them get off the streets and into a home?

Debra March:

We work closely with the nonprofit organization, HopeLink of Southern Nevada, as well as Clark County because they are administering the \$9 million that we turned over to them to be able to help folks who are in need. In terms of social services and wraparound services, we work closely with HopeLink to provide those services for the City of Henderson.

Chair Flores:

Members, if you have any questions and I have accidentally skipped you, please feel free to unmute yourself at this time. [There were none.]

Thank you for your presentation this morning. I know this conversation will continue and that, collectively, we want the same things: we want to take care of our folk, we want transparency, we are growing, and we are helping each other out. Please reach out if I can be of assistance in any way. Members, thank you for your questions. At this time, I will close out the presentation by the City of Henderson. Next, I invite the City of Sparks. Good morning and welcome.

Ed Lawson, Mayor, City of Sparks:

Good morning, Chair Flores and the Committee—a special good morning to our two representatives who are sitting in the Committee, Assemblywomen Anderson and Dickman; thank you for your service to the City of Sparks.

I am going to give a short presentation telling you a little about Sparks and what our challenges are. We are a bedroom community to Reno. We are very much family-oriented. When we make decisions in the City of Sparks, we come at it with the rose-colored glasses on—is this a good decision for the people who live with us and raising families?

Let us start out with our city council [page 2, [Exhibit D](#)]. I have been on the city council for ten years. I was mayor pro tempore. Ron Smith, our previous mayor, passed in August 2020 and I was sworn in as mayor in September. Our council ranges in experience from the current mayor pro tempore, Charlene Bybee from Ward 4 with six years; Kristopher Dahir with just over four; Paul Anderson with two years; Donald Abbott with over four; and our newest member, Dian VanderWell, who took my place in Ward 2. We have a great council who work well together. We all seem to be going in the same direction, which is a good thing because that does not always happen in politics.

Here is our legislative team [page 3, [Exhibit D](#)]: me as mayor, Mayor Pro Tempore Bybee, City Manager Neil Krutz, Assistant City Manager Alyson McCormick, and Kaempfer Cowell's representative for us is Michael Hillerby. Mike will be your main contact for questions, although we are all available at any time.

Here is a little bit about Sparks [page 4, [Exhibit D](#)]. A lot of people do not realize that we are a little bit bigger than small. We have about 103,000 residents; our budget is \$243 million—most of that is dedicated to certain areas. You can see [page 4, [Exhibit D](#)] the majority of our

revenue comes from property tax and consolidated tax, which represents roughly about 70 percent of our revenues. Currently, we have 553 full-time positions in the City of Sparks.

In the next slide [page 5, [Exhibit D](#)] we show a comparison. We want to show how the recession hurt us badly in our growth and in the way that we do business in the City of Sparks. You can see our population in 2008 was 92,000; our budget was around \$195 million; our full-time equivalent employees—that means all the lifeguards, before and after school care, temporary help at parks, all the things that we do—was at 844 in 2008. We have 618 now. We are doing the same job with more residents with roughly 220 fewer people to do that work. Then you can see our property tax revenue has been barely keeping up, if at all, with inflation. That is something that we are hoping, at some point, we can have a real discussion on—fixing our property tax system.

Here are our big challenges [page 6, [Exhibit D](#)]. We are running out of land. In talking with several developers in our area, we are basically the same way that Las Vegas was when I was growing up there: we are surrounded by Bureau of Land Management (BLM) and we really have about [unintelligible].

Chair Flores:

I apologize for interrupting you. We are having a very difficult time with the sound. If I could please have you get a little closer to the microphone, we can see if that would help on our end. We are not going to be able to decipher some of what you have said for our minutes.

Ed Lawson:

Our big challenge is running out of land, being surrounded by BLM. Our challenge for the future is to keep up with that growth, because of the way that our property tax system works in Nevada, we have to be continually building homes in order to keep up with the depreciation. The other part of it is our regional wastewater treatment facility. Our facility is roughly 70 years old; it needs some major upgrades. We are looking at upgrades now of, on the low end about \$250 million, to the high end at close to \$750 million. That is not going to be an easy undertaking. We share this facility with the City of Reno and part of Washoe County. This is truly a regional facility where Sparks runs the facility, but Reno and Washoe County pay fees to it.

On our uncertain financial future: COVID-19 exposed some severe breaks in our system, but luckily, we had planned early on, since about 2010, to keep our technology up to date. We were able to send people home and still not interrupt the services we provide as the City of Sparks. That helped us tremendously, but we are not sure where we are for the future. Without the ability to build, the projects that we take on are European-modeled, where we have city centers. I will talk more about that later.

Let us talk about some of the fun things we do in Sparks [page 7, [Exhibit D](#)]. We have the Rib Cookoff where we run about 500,000 people through downtown Sparks in a six-day period. We also have Hot August Nights, which is one of the largest car shows in America

with over 6,500 registrants. I sit on that board also. And then we have the Hometown Christmas Parade. We have been recognized nationally for that. We have over 300 entries. The parade itself is usually anywhere from 3 to 4 hours. [Unintelligible.] It is a great family event.

Chair Flores:

I apologize for stopping you again. We are having the same problem with your microphone. If I could just ask you to get a little bit closer to it.

Ed Lawson:

The Pumpkin Palooza is an event that started with about 1,000 people. This last year we had it, it was over 10,000 people. The event is about five years old. It is an extremely family-oriented event. We are proud of the way that has come up.

In keeping with the city center idea, we have had tremendous growth in the Victorian Square area [page 8, [Exhibit D](#)], which is roughly a six-square-block area. We had a developer come in and put in apartments. We are going to have 5,000 people living in a six-square-block area in the next couple of years. It is going to be its own vibrant community, creating its own energy for the downtown area, and we are still going to be able to have special events. The Nugget Casino Resort has built an amphitheater that is right in the heart of Victorian Square. The amphitheater holds 8,500 people for concerts. If you know how concerts work, they start in San Francisco or Northern California and they work their way across Interstate 80. We are getting some very good entertainers coming through this area.

We have the Sparks Marina and the Outlets at Legends [page 9, [Exhibit D](#)]. By way of background, the Sparks Marina was an old aggregate pit. A 1997 flood flooded our industrial area with about two to two and one-half feet of water. The aggregate pit was overflowing and was ready to take out Interstate 80. We managed to stave that off, but the idea came out of it from the then-city council—you know what, let us turn this into a park—and the marina came about. We have had development come around it and are in the process right now of building more and more apartments around there, so it is quite a used facility. There is a walkway path that goes all the way around, there is a swimming beach, [unintelligible] and a dog park. It is a pretty nice little area.

The Legends [page 9, [Exhibit D](#)] was an old mall that was shuttered and sat vacant forever. We sold that land off and had Red Development come in, and they built the mall with Sales Tax Anticipation Revenue bonds back in the day. They are doing a great job as they continue to build out.

This [page 10, [Exhibit D](#)] probably is the gem of Northern Nevada—probably of the United States. This is Golden Eagle Regional Park; it has six softball fields that generate roughly \$30 million worth of regional impact, and over 50,000 room nights come out of just six softball fields a year. There are a bunch of other smaller fields, as you can see on the right [page 10, [Exhibit D](#)], that is a night view. [Unintelligible] Our big deal is for softball. The fields are artificial turf, and everybody loves to play on them because you can get a huge

bounce, and the injuries are very few and minor. As I remember playing in the old days, you hit a rock and you end up anywhere.

Here are our contacts [page 11, [Exhibit D](#)], Alyson McCormick and Michael Hillerby. Lastly, we will take questions.

Chair Flores:

I apologize for interrupting you there a few times—we were having a difficult time with the sound. I do appreciate the presentation; I appreciate your walking us through it. We have a few members with questions.

Assemblyman Ellison:

I was checking just recently to find out whether you are going to go through with Hot August Nights; I heard it might be cancelled. Is that correct?

Ed Lawson:

It is on a day-by-day basis. A lot of it is going to have to do with the pandemic and what we can get on. I know from sitting on the board that the board absolutely wants to have the event.

Assemblyman Ellison:

I know it is up in the air; we checked on the air races also. That is a great event that you put on, and I know it has a lot of impact. I am hoping the event does go on.

Ed Lawson:

Yes, we love that event; it has tremendous impact for our entire region, somewhere around \$90 million of regional impact. It is a huge event for all of us.

Assemblywoman Considine:

I did not see it, so could you send to the Committee the report on the expenditures of the revenue? I see the revenue, but I do not see the breakdown of where it is spent.

Ed Lawson:

Absolutely. We will.

Assemblywoman Dickman:

I want to say how impressive it is—how the leadership of Sparks has dealt with our growing little city by keeping a small-town and a hometown feel. Also, we need our festivals back because, boy, do we need them.

Ed Lawson:

Yes, we certainly do. All our special events are what makes Sparks unique, in getting those families out and around. They are truly what makes us a great city.

Assemblywoman Dickman:

With a small-town, hometown feel.

Ed Lawson:

We are not as small as we used to be. We are also facing our own problems with affordable housing and growth. Since San Francisco and the pandemic and the ability for people to work remotely now, we are seeing a huge influx of Californians. A little over half of the people who move to our region right now are from California, from some place within the proximity of the San Francisco Bay Area. We see that continuing. I watched a real estate report; homes under \$600,000, we have ten listings in the entire region. We are in a big way in need of more housing.

Assemblywoman Torres:

My question is in regard to the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the City of Sparks' response to COVID-19 because there was nothing in the presentation that hit on that. Can you talk about the allocation of the CARES money? My understanding is that the City of Sparks got significantly less than the other cities in Nevada, but could you talk a bit about the allocation of those funds and talk about the city's response to COVID-19 in general?

Ed Lawson:

One of the things that we are most proud of is our regional approach. We have opened what is called the Nevada Cares Campus using some of the COVID-19 money. Sparks put in roughly \$4 million; the rest of the region, the City of Reno and Washoe County, made up the difference on the other \$16 million. It is going to be a place where we will have emergency shelter. We will also have the wraparound services so you can learn everything from checking accounts to self-sufficiency, obtaining housing, complete services. We are also going to have an area for transitional housing, where you can stay a little bit longer and pay some rent, but where we would continue to teach you the things to make you a viable part of the community. We have a Community Homeless Advisory Board that I have sat on since its inception about three years ago. The one thing that we have learned in all of this is that about 70 to 80 percent of the people who are homeless have some type of underlying mental health issue. That is the part we are not doing as well as a nation, quite frankly. We really need to address the mental health part. Drugs and alcohol abuse come from that mental health part; they are self-medicating for some reason or another; that is a byproduct.

We have done something in Sparks that is unique to the area. We are very excited about this program. We call it our Homeless Outreach Proactive Engagement Team, or HOPE Team. They are four officers. They do nothing but contact homeless people. They do not arrest them, they do not harass them, they just contact them, and they say, we have services available. Do you want services? They bring along with them the Mobile Outreach Safety Team from Washoe County Human Services Agency who are able to connect people to services. It could be something as simple as my dog does not have shots, so I cannot get into an apartment. We have hooked up people to get shots for their dogs. Or, I do not have ID—that is one of the more common ones. We help them get IDs. We just had a great success

story of a lady and her son who had been homeless basically her whole life. The son had never lived in a house. Through our HOPE Team, we managed to find them shelter. We have had this team in existence now for about nine or ten months during which we have put 30 people so far into some type of services such as long-term recovery. We are very proud of that. We are bringing on the Washoe County Sheriff's Department with us in the July time frame and we are hoping the City of Reno comes on at the same time, because homelessness is a huge issue, and it is not localized to any one city or region; it affects the entire country.

We think that our Built for Zero homeless initiative is going to be a great success in the future. That was part of what we were most proud of spending part of that COVID-19 money on. As you know, early on, a lot of our COVID-19 money got used for overtime for our police officers and firemen who were exposed to COVID-19. We had to quarantine them for two weeks, and obviously we had to pay them for that because they were on the job [unintelligible] so we used a lot of money there. We also put about \$3.5 million into rental assistance for anybody in the City of Sparks, just for the City of Sparks. We put another \$1 million for rental assistance to businesses during that period also. We would be happy to send you a breakdown of exactly how we spent every nickel.

Assemblywoman Anderson:

Mayor, as you know I am a second-generation Sparks native, so I am incredibly proud of my hometown where my grandparents came to from Ireland. I am not going to lie—I bristle a bit when we get referred to as a commuter community for Reno because I see Sparks as its own community. I also understand that the statement was trying to teach people exactly where we were located.

I have two questions. I am so happy that you brought up the HOPE program. That was very well done. I was going to ask for more specifics on that, but the larger question I have has to do with the police force. I know that there were some issues over the summer and other things that had happened in the past. I want to ask about diversity training and how our many different populations are represented. I think we all know Sparks has a very robust Latino community, Filipino community—it has many different nationalities. How is our police force doing when it comes to diversity training?

Ed Lawson:

The COVID-19 response has taken a toll on a lot of people and it has taken its toll on our police chief. Our police chief decided he had to retire; he retired in October 2020. We have a new police chief who has started to put in some new programs. We are doing diversity training; that will start very shortly. Our new police chief has also talked about a community advisory board to advise the police department, and of course our officers' mental health is the most important thing to us. We lost—it is emotional for me—we lost one of our policemen to suicide. It is hard for me because my dad was a cop in Las Vegas for 30 years. It hits very close to home. We do not want any more suicides on our police officers, so we have instituted a program where once a year, just like they get a physical, they get a mental health checkup.

Assemblywoman Anderson:

Thank you for sharing that. I know that was a very difficult situation for the members of our police force and also for our community, but when it comes to outreach to our minorities, how is that going? I realize that we have a brand-new police chief, so who will be in this advisory committee that is being discussed? Will there be people in it from different communities?

Ed Lawson:

That absolutely is the thought behind the advisory committee—that it is a cross representation of the entire community. There are many different models; we are trying to figure out the best model for us. I will tell you that since I have been on the council for the last ten years, we have always been community policing. We do that on regular occasions. In the summertime with kids' lemonade stands [unintelligible], we have barbecues, [unintelligible].

Assemblywoman Anderson:

I am sorry, your audio is cutting in and out. I think what you are saying is during the summertime there is a large amount of community outreach based upon the different City of Sparks programs, maybe? Or is that just me making a guess based upon my experiences in Sparks?

Ed Lawson:

It is through the police department. What they do is have some barbecues; they support the kids who have lemonade stands. They are doing community outreach all the time. Obviously, COVID-19 has put an end to all of that for the short term, but our police department overall does a wonderful job.

Assemblywoman Anderson:

My other question is about the housing costs. We can talk about this offline if you would like; I think we talked about this during our conversation in January. When a one-bedroom apartment that is being opened up in that downtown Sparks area is \$1,000 per month, what is the average housing cost now in the Sparks area, do you know? Housing costs are more regional, but how is that impacting some of the other outreach programs as well?

Ed Lawson:

I could not tell you what the exact number is, but I know that the newer apartments range anywhere from \$1,000 to \$2,500 or \$3,000 a month, depending on what it is and how big the apartment is. Our bigger problem is we are having people move here with cash who are able to pay above the appraised values for homes, and it is driving our home prices through the roof. Right now, in the City of Reno, a median house is \$500,000; in the City of Sparks, a median house is \$400,000. I am to a point myself where I may not be able to afford my own house at this point. It is something that can only really be addressed by creating more housing, and we have plans for that with our city centers. One of the things that every city in America would love is to have a river run through it, and Sparks has a river that runs through it. We are going to convert some of our tilt-up concrete that is down along the river and

change that into multifamily houses and create another city center there. City centers help us in the mode of transportation, using the public transportation, and then connecting the different areas. If you want a river experience, you go to the river area; if you want a downtown entertainment experience, you go to the Victorian Square area; and if you want an experience with artists and artists' lofts and people who are creative and things of that nature, we have the Oddie District that is up and coming. We are working hard to diversify and to provide additional housing. To me, that is the only way we are really going to survive. [Unintelligible.] The only way we are going to drive prices down is the supply has to outweigh the demand.

Assemblywoman Anderson:

Thank you. I want to reiterate how proud I am to be from Sparks, just my history with it, and how much I love my community. Thank you for your service.

Chair Flores:

I do not believe we have any other questions. Anyone who I may have accidentally skipped, please unmute yourself. [There was no one.] Mayor, thank you for joining us today and allowing us to learn about Sparks—a lot of folks just do not know enough. We will have Assemblywomen Dickman and Anderson as our guides. I am closing the presentation on the City of Sparks.

Next, we invite those wishing to speak in public comment to do so at this time. I want to remind those making public comment to keep your comments to two minutes and to remain respectful.

Dora Martinez, representing Nevada Disability Peer Action Coalition:

To the Mayor of Sparks, I love your city. I used to live there before I moved to Reno. I am totally blind and, having little kids, it was so difficult to find transportation to go to the stores that were far from my house. Those are some things that we need to work on like grocery stores and usable sidewalks. Being blind, it would be against the law for me to have a license and drive a car, so I use a lot of my "Chevro-legs"—a lot of walking.

When you do your training for officers, please include sensitivity training for people with disabilities. We would be happy to come support you with that. I think it is important. Black lives matter but everybody's life matters, and everybody is to be respected and given understanding of one's situation. We work through the Nevada Assistive Technology Resource Center, which is located in the University of Nevada, Reno. The phone number is (775) 682-9070. Thank you so much and take care. Bless you all.

Chair Flores:

Thank you for your remarks. We would like to invite anybody else wishing to make public comment. [There was no one.] With that, this meeting is adjourned [at 10:22 a.m.].

RESPECTFULLY SUBMITTED:

Geigy Stringer
Committee Secretary

APPROVED BY:

Assemblyman Edgar Flores, Chair

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

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

[Exhibit C](#) is a copy of a PowerPoint presentation titled "The City of Henderson, A Place to Call Home," submitted and presented by Debra March, Mayor, City of Henderson and Richard Derrick, City Manager and Chief Executive Officer, City of Henderson.

[Exhibit D](#) is a copy of a PowerPoint presentation titled "City of Sparks," submitted and presented by Ed Lawson, Mayor, City of Sparks.