

SENATE BILL NO. 450—SENATORS NEAL, FLORES, DONATE;
HANSEN AND SPEARMAN

APRIL 17, 2023

Referred to Committee on Revenue and
Economic Development

SUMMARY—Establishes a program for the relocation of persons residing in the Windsor Park neighborhood of the City of North Las Vegas. (BDR S-794)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Contains Appropriation not included in Executive Budget.

CONTAINS UNFUNDED MANDATE (§ 9)
(NOT REQUESTED BY AFFECTED LOCAL GOVERNMENT)

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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 housing; establishing a program for the relocation of persons residing in single-family residences in the Windsor Park neighborhood of the City of North Las Vegas; making an appropriation; requiring quarterly reports to the Interim Finance Committee; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

This bill enacts the Windsor Park Environmental Justice Act, which establishes a program for the relocation of persons residing in the Windsor Park neighborhood of the City of North Las Vegas whose residences have been damaged by the sinking of the ground beneath the residences. **Section 2** of this bill sets forth a legislative declaration that is necessary to enact a law of local and special application to provide the residents of Windsor Park a solution to the unique problems of the neighborhood. **Sections 3-8** of this bill define relevant terms for the Act. **Section 8** defines the area that constitutes the Windsor Park neighborhood.

Section 9 of this bill requires the Housing Division of the Department of Business and Industry to establish and administer a program by which the owner of a single-family residence in the Windsor Park neighborhood who owns the residence on July 1, 2023, may exchange the residence in the Windsor Park neighborhood for a new residence constructed in accordance with provisions of **section 9**. Under **section 9**, the Housing Division is required to select a governmental entity, a nonprofit corporation or any other entity engaged in the



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development of affordable housing to develop single-family residences on vacant land adjacent to the Windsor Park neighborhood. The entity selected by the Housing Division is required to contract with qualified professionals for a study of vacant land adjacent to the Windsor Park neighborhood that could be acquired to determine whether such land will subside, acquire vacant land adjacent to the Windsor Park neighborhood if the study finds such land will not subside and enter into contracts for the development and construction of single-family residences on that land. The contracts for such development and construction must include a preference for businesses owned by a person who resides or formerly resided in the Windsor Park neighborhood. **Section 9** further requires the entity selected by the Housing Division, the City of North Las Vegas and the Housing Division to enter into an agreement for the financing of the acquisition of land and the development and construction of the residences. Upon the issuance of certificates of occupancy for these residences, **section 9** authorizes the owner of a single-family residence in the Windsor Park neighborhood who owns such a residence on July 1, 2023, to exchange that residence for a residence with at least an equal amount of square footage that is constructed pursuant to this bill. Finally, **section 9**: (1) authorizes the exchange of a residence encumbered by a mortgage or deed of trust if the mortgage or deed of trust is paid off and requires the Housing Division to provide assistance in arranging for financing to pay off such a mortgage or deed of trust; and (2) requires a lease of an exchanged residence to transfer to the acquired residence. **Section 9.3** of this bill requires the Housing Division to establish a program to pay: (1) moving expenses for persons who move from the Windsor Park neighborhood to a single-family residence acquired pursuant to **section 9**; (2) restitution for certain residents of the Windsor Park neighborhood; and (3) the cost of rehabilitating certain single-family residences. **Section 9.7** of this bill makes it unlawful, with certain exceptions, to sell or list for sale a residence in the Windsor Park neighborhood.

Section 10.5 of this bill requires the Chief of the Budget Division of the Office of Finance in the Office of the Governor to disburse \$25,000,000 from the money received from the Coronavirus State and Local Fiscal Recovery Funds by the State of Nevada to the Housing Division for the purposes set forth in this bill. **Section 11** of this bill appropriates \$12,000,000 from the State General Fund to the Housing Division for the purposes set forth in this bill, and **section 11.5** of this bill requires the State Treasurer to withhold certain monthly tax distributions from the City of North Las Vegas until such withheld amounts equal \$12,000,000.

Section 11.7 of this bill requires the Housing Division to submit a quarterly report to the Interim Finance Committee concerning the progress of the Housing Division in carrying out the provisions of this bill.

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

Section 1. This act may be cited as the Windsor Park Environmental Justice Act.

Sec. 2. The Legislature hereby finds and declares:

1. Windsor Park is a single-family residential development in North Las Vegas built between 1964 and 1966 for Black families, to allow them to own their own homes and build wealth that could be passed to future generations.



2. Windsor Park was built over geological faults, and the withdrawal of groundwater from the aquifer beneath Windsor Park, in combination with the faults, caused the ground beneath Windsor Park to sink.

3. This sinking, or subsidence, damaged homes, roads, water and gas lines, and many homes in Windsor Park became uninhabitable and had to be demolished.

4. Beginning in the late 1980's and early 1990's, the Federal Government, the State of Nevada and the City of North Las Vegas provided approximately \$14 million to help residents of Windsor Park, which was used by the City to:

(a) Move and rehabilitate four homes;

(b) Build and relocate residents to 45 new homes; and

(c) Offer grants of \$50,000 or \$100,000 to residents to move to another home in North Las Vegas.

5. Under the above programs, 90 Windsor Park residents were unable to find another suitable home or move to a suitable, rehabilitated home.

6. The Windsor Park residents who could not move remain residents of Windsor Park in homes that have experienced significant damage because of ground subsidence, and these residents need a new solution to obtain new homes.

7. Because of the ground subsidence and damage unique to the Windsor Park neighborhood, it is necessary to enact a law of local and special application to provide the residents of Windsor Park a solution to this unique problem, which is found nowhere else in this State.

8. Given that a law of local and special application is necessary to accomplish the purposes of this act and given that such a law is necessary to benefit the residents of that local and special area known as Windsor Park, a general law cannot be made applicable to the purposes, objects, powers, rights, privileges, immunities, liabilities, duties and disabilities set forth in this act.

Sec. 3. As used in sections 1 to 9.7, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 4 to 8, inclusive, of this act have the meanings ascribed to them in those sections.

Sec. 4. "City" means the City of North Las Vegas.

Sec. 5. (Deleted by amendment.)

Sec. 6. "Housing Division" means the Housing Division of the Department of Business and Industry.

Sec. 7. "Single-family residence" means a parcel or other unit of real property or unit of personal property which is:

1. Intended or designed to be occupied by one family with facilities for living, sleeping, cooking and eating; and



2. Occupied by the owner of the parcel or other unit of real property or, if the parcel or other unit of real property is owned by a trust, occupied by the trustee or a member of his or her immediate family.

Sec. 8. “Windsor Park neighborhood” means the area of the City lying north of West Cartier Street, west of Clayton Street, east of Chamberlain Lane, and south of West Evans Avenue.

Sec. 9. 1. The Housing Division shall establish and administer a program pursuant to which the owner of a single-family residence in the Windsor Park neighborhood who owns that residence on July 1, 2023, may exchange that single-family residence for another single-family residence constructed in accordance with this section.

2. The Housing Division shall apply for any available grants of money from the Federal Government to carry out the provisions of sections 1 to 9.7, inclusive, of this act and shall select a governmental agency, nonprofit corporation or other entity engaged in the development of affordable housing to develop single-family residences on vacant land adjacent to the Windsor Park neighborhood. The governmental agency, nonprofit corporation or other entity selected by the Housing Division pursuant to this subsection shall, in accordance with a financing agreement entered into pursuant to subsection 5, contract with qualified professionals for a study of vacant land adjacent to the Windsor Park neighborhood that could be acquired to ensure that such land will not subside, acquire vacant land adjacent to the Windsor Park neighborhood if the study finds that such land will not subside and enter into contracts to develop and construct single-family residences on that land. In awarding such contracts, a preference with a relative weight of 5 percent must be assigned to an applicant that is a business in which at least 50 percent of the interest is owned by a resident or former resident of the Windsor Park neighborhood. Any restriction on the price which the Housing Division may pay to acquire a parcel of real property does not apply to an acquisition pursuant to this section.

3. The number of single-family residences constructed pursuant to this section must be sufficient in number to enable each household residing in a single-family residence in the Windsor Park neighborhood on July 1, 2023, to obtain such a single-family residence, and the single-family residences constructed pursuant to this section must enable a household residing in a single-family residence in the Windsor Park neighborhood on July 1, 2023, to obtain a single-family residence with the same amount of square footage as the residence in the Windsor Park neighborhood.



4. The City shall grant the employees and representatives of the governmental entity, nonprofit corporation or other entity selected by the Housing Division, and the Housing Division, access to any right-of-way owned or controlled by the City and access to any lots owned by the City within the Windsor Park neighborhood when such access is necessary to carry out the provisions of this section, and the City shall not unreasonably withhold such access.

5. The governmental entity, nonprofit corporation or other entity selected by the Housing Division pursuant to subsection 2, the City and the Housing Division shall enter into an agreement to finance the development and construction of single-family residences pursuant to this section. The agreement must require:

(a) The use of money appropriated or authorized by the Legislature to the Housing Division for the purposes set forth in this section.

(b) Any other money from any public or private source, including, without limitation, any gift, grant, appropriation or contribution, available to be used for the purposes set forth in this section.

6. Upon the issuance of a certificate of occupancy for each single-family residence constructed pursuant to this section, the owner of a single-family residence in the Windsor Park neighborhood who owns that residence on July 1, 2023, may exchange that single-family residence for a single-family residence which was constructed pursuant to this section and which has at least the same amount of square footage as the residence being exchanged. If the single-family residence being exchanged is:

(a) Encumbered by a mortgage or deed of trust, the single-family residence may not be exchanged unless the existing mortgage or deed of trust is paid in full. The Housing Division shall provide assistance to arrange any financing necessary to pay off the existing mortgage or deed of trust, including, without limitation, any down payment assistance available under any program administered by the Housing Division.

(b) Leased to a tenant occupying the single-family residence under a lease agreement, the lease agreement remains in effect with the same terms and conditions.

➤ Any single-family residence acquired pursuant to this subsection may not be sold for a period of 5 years after the single-family residence is acquired, except that such a single-family residence may be transferred in a transaction that is exempt from the taxes imposed by chapter 375 of NRS pursuant to NRS 375.090.

7. The power, sewer and other connection fees imposed by the City on a single-family residence in the Windsor Park neighborhood must be transferred to a single-family residence acquired pursuant to



1 this section as the power, sewer and the connections fees to be
2 imposed on that single-family residence.

3 8. Any property in the Windsor Park neighborhood that is
4 exchanged pursuant to this section must be used only for the
5 purposes of a public park to memorialize the past and present
6 residents of the Windsor Park neighborhood.

7 **Sec. 9.3.** 1. The Housing Division shall establish a program
8 to pay:

9 (a) The moving expenses of and restitution to the owners of
10 single-family residences in the Windsor Park neighborhood in the
11 manner set forth in this section.

12 (b) The cost of the rehabilitation of the homes constructed with
13 money received by the City from Community Development Block
14 Grants for the purpose of rehabilitating homes in the Windsor Park
15 neighborhood.

16 2. The City shall transfer to the Housing Division:

17 (a) Any remaining proceeds of general obligation bonds issued
18 by the City and purchased by the Federal National Mortgage
19 Association for the purpose of relocating residents of the Windsor
20 Park neighborhood.

21 (b) Any money remaining from Community Development Block
22 Grants awarded to the City for the purpose of relocating residents in
23 the Windsor Park neighborhood.

24 (c) Any money remaining from Community Development Block
25 Grants awarded to the City for the purpose of constructing
26 residences for the residents of the Windsor Park neighborhood.

27 ➤ Any money received pursuant to this subsection must be
28 accounted for separately and may be used only to carry out the
29 provisions of this section.

30 3. From amounts transferred to the Housing Division pursuant
31 to paragraphs (a) and (b) of subsection 2, the Housing Division
32 shall:

33 (a) Pay restitution in the amount of \$50,000 to the owner of a
34 single-family residence in the Windsor Park neighborhood who
35 resides in the neighborhood on July 1, 2023, and who was the initial
36 occupant of that single-family residence, or to the descendants of
37 that owner who inherited the single-family residence from the initial
38 occupant and who reside in the single-family residence on July 1,
39 2023.

40 (b) Pay restitution in the amount of \$10,000 to the person who
41 was the initial occupant of a single-family residence in the Windsor
42 Park neighborhood, or to the descendants of that person who
43 inherited the single-family residence from the initial occupant.

44 (c) Pay the actual moving expenses of a person who acquires a
45 single-family residence pursuant to section 9 of this act and who



1 moves from the Windsor Park neighborhood to that acquired single-
2 family residence.

3 4. From the amount transferred to the Housing Division
4 pursuant to paragraph (c) of subsection 2, the Housing Division
5 shall pay, in an amount not to exceed \$10,000 per single-family
6 residence, the cost of rehabilitating a single-family residence
7 constructed for a resident of the Windsor Park neighborhood using
8 money received by the City from a Community Development Block
9 Grant. The governmental entity, nonprofit corporation or other
10 entity selected by the Housing Division pursuant to subsection 2 of
11 section 9 of this act shall inspect the single-family residence to
12 determine whether or not the rehabilitation has been satisfactorily
13 completed.

14 5. To the extent that money transferred to the Housing Division
15 pursuant to subsection 2 is insufficient to make the entire amount of
16 the payments required by subsection 3 or 4, the Housing Division
17 shall reduce such payments on a pro rata basis.

18 **Sec. 9.7.** It is unlawful to sell or list for sale any real property
19 intended for occupancy as a residence within the Windsor Park
20 neighborhood.

21 **Sec. 10.** The provisions of NRS 354.599 do not apply to any
22 additional expenses of a local government that are related to the
23 provisions of this act.

24 **Sec. 10.5.** The Chief of the Budget Division of the Office of
25 Finance created by NRS 223.400 shall disburse from the money
26 received from the Coronavirus State and Local Fiscal Recovery
27 Funds by the State of Nevada the amount of \$25,000,000 to the
28 Housing Division of the Department of Business and Industry for
29 the purposes set forth in sections 1 to 9.7, inclusive, of this act.

30 **Sec. 11.** 1. There is hereby appropriated from the State
31 General Fund to the Housing Division of the Department of
32 Business and Industry the sum of \$12,000,000 for the purposes set
33 forth in sections 1 to 9.7, inclusive, of this act.

34 2. Any remaining balance of the appropriation made by
35 subsection 1 must not be committed for expenditure after June 30,
36 2025, by the entity to which the appropriation is made or any entity
37 to which money from the appropriation is granted or otherwise
38 transferred in any manner, and any portion of the appropriated
39 money remaining must not be spent for any purpose after
40 September 19, 2025, by either the entity to which the money was
41 appropriated or the entity to which the money was subsequently
42 granted or transferred, and must be reverted to the State General
43 Fund on or before September 19, 2025.

44 **Sec. 11.5.** The State Treasurer shall withhold the amount of
45 \$250,000 per month from the payment made to the City from the



1 Local Government Tax Distribution Account pursuant to NRS
2 360.690 for each month beginning on July 1, 2023, and ending in
3 the month that the total amount withheld from the City pursuant to
4 this section equals \$12,000,000. The money withheld pursuant to
5 this section must be transferred to the State General Fund.

6 **Sec. 11.7.** The Housing Division of the Department of
7 Business and Industry shall, on a quarterly basis, submit a report to
8 the Interim Finance Committee concerning the progress of the
9 Housing Division in carrying out the provisions of this act.

10 **Sec. 12.** 1. This section and section 9.7 of this act become
11 effective upon passage and approval.

12 2. Sections 1 to 9.3, inclusive, and 10 to 11.7, inclusive, of this
13 act become effective on July 1, 2023.

