MINUTES OF THE SENATE COMMITTEE ON REVENUE AND ECONOMIC DEVELOPMENT

Eighty-second Session April 27, 2023

The Senate Committee on Revenue and Economic Development was called to order by Chair Dina Neal at 1:11 p.m. on Thursday, April 27, 2023, in Room 2149 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Dina Neal, Chair Senator Fabian Doñate, Vice Chair Senator Pat Spearman Senator Heidi Seevers Gansert Senator Carrie A. Buck

STAFF MEMBERS PRESENT:

Michael Nakamoto, Chief Principal Deputy Fiscal Analyst Christian Thauer, Deputy Fiscal Analyst Janet Stokes, Committee Secretary

OTHERS PRESENT:

William Harty, City of North Las Vegas
Cinthia Moore, Nevada Environmental Justice Coalition
Pamela Neal
Barbara Carter
Webster Davis
Eli Valdez
Nancy Johnson
Myrtle Wilson
Edward McCall
Mercedes Davis, Defend Our Future

A'Esha Goins, NAACP, Las Vegas Branch
Mary Ford
Jorge Flores
Tanika Washington
Lauren DeGrotto
Linda Stout, Sierra Club
Quentin Savwoir, NAACP, Las Vegas Branch
Leslie Turner
Frank Fritz
Kandice Townsend, City of North Las Vegas
Jared Luke, City of North Las Vegas
Tori Holiday

CHAIR NEAL:

I will turn the gavel over to Vice Chair Doñate.

VICE CHAIR DOÑATE:

I will open the hearing on Senate Bill (S.B.) 450.

SENATE BILL 450: Establishes a program for the relocation of persons residing in the Windsor Park neighborhood of the City of North Las Vegas. (BDR S-794)

SENATOR DINA NEAL (Senatorial District No. 4):

Windsor Park is a historic community, as shown in the Limited History, (Exhibit C) built in 1966-1967. On April 13, 2023, this Committee had a bill draft request presentation on Windsor Park, and the measure is now officially a bill, S.B. 450. The bill deals with the 90 residents who still reside in Windsor Park. I am going to build a timeline during this hearing to get a sense of what was going on, how we arrived here and why S.B. 450 is the proposed remedy for the Windsor Park residents.

During my research of Windsor Park, I took an interest in identifying minutes and information related to the community. A resolution was passed by the City of North Las Vegas in 1966, Exhibit C, that addressed a neighborhood analysis and how to comply with the Housing Act of 1954 which was needed to determine whether to provide assistance for home building through the

U.S. Department of Housing and Urban Development (HUD). The City was required to provide a study to include seven parts as noted in Exhibit C.

This resolution, <u>Exhibit C</u>, is relevant because it was signed in 1966 when Windsor Park was built. The residents did not request a geotechnical or engineering study to determine if the community was built on fault lines.

An excerpt from the 1966 minutes, <u>Exhibit C</u>, shows the planning associated with Windsor Park. We know, therefore, that there was a conversation at the City in 1966 about planning this neighborhood. We also know the federal government passed the Housing Act of 1954 which prohibited inferior housing for communities of color.

Another excerpt from the May 4, 1970, minutes, page 5, Exhibit C, within four years of the development, notes comments made by Albert Dunn who came to the City Council in 1970 and talked about how he felt "somewhat disturbed and isolated" because there were no recreation facilities in the Windsor Park neighborhood. At the time, Windsor Park was trying to fight for a park they ultimately got. I included this excerpt to show that the Windsor Park residents were always concerned about the quality of their neighborhood and what services would be provided to them as an African-American community.

The next excerpt from the minutes, page 6, Exhibit C, Mayor Eugene Echols talking about not approving the facility at the expense of the Windsor Park pool and making sure the project was progressing as desired. Annie Walker, one of the older residents who was there in the 1970s, saw the pool they were fighting for become a pool in the 1980s named after her. At the time, the Windsor Park residents were concerned about having what the other neighborhoods had—a park, a community center, a pool. Even though there was discrimination and segregated neighborhoods in the 1960s and 1970s, the residents wanted the same quality for their own neighborhood. This was a continuation of the resolution where the City reestablished that it was going to move forward.

The next excerpt from the minutes, page 17, Exhibit C, notes a developer, Dasco, Inc., was given almost \$38,789.28 for offsite improvements in Northland Gardens. This developer appears again in 1994. When I started researching the history, everybody was asking why the contractor did not

remedy the problems? The legislative minutes reflect they could not identify who that contractor was. That is still a question because beyond the minutes in 1994, we have not been able to identify exactly who it was. We do know this builder and developer was building property in 1972, yet they were asked for the 45 homes which were defective in 1994.

I am still building the narrative in the story about what was authorized for Windsor Park, including a playground in 1978. If you are following my timeline, we have the development built in 1966; we know there was no engineering study, none of the residents are aware of the fault lines, but yet they continued to build and expand on the property. The question was why, if they were continuing to build, has no one ever considered doing an environmental or geotechnical study to determine whether the land is buildable. I am building this timeline, Exhibit C, which is only a snapshot of what I provided to the William S. Boyd School of Law, University of Nevada, Las Vegas.

Looking ahead to 1989 in the minutes, page 19, Exhibit C, this became an important period of time because it was learned the homes were sinking due to groundwater removal. There is now money coming into play—the \$250,000 in fiscal year (FY) 1989-1990, Community Development Block Grant (CDBG) funds and the State matching grant for Windsor Park. The City came to the Legislature and said there is a problem. We need money. We need to match those funds. Assemblyman Morse Arberry, Jr., was the Chair of the Assembly Ways and Means Committee. This is when the first set of dollars came forward—CDBG federal money plus the State money. We have \$500,000 produced from the initiative of the City to use the CDBG dollars in 1989 and then the State gave matching funds.

Looking ahead to November 7, 1990, in the minutes, page 24, Exhibit C, the \$500,000 was appropriated for the Windsor Park project. Katherine Duncan and others started asking what happened to the \$500,000 that was supposed to be used to relocate the Windsor Park residents. Somehow MinDevCo, page 24, Exhibit C, won the favor of the residents and indicated it was going to apply for HUD dollars on their behalf. I am not sure that ever happened because the residents and the City said it was agreed that MinDevCo would find this money. I did not find any additional minutes on MinDevCo past November 1990.

On page 25, Exhibit C, is a 1990 letter from Congressman James Bilbray in which he stated his support for the endeavor to obtain special funding from Congress. In 1992, \$1 million came from Congress. In 1993, another \$1 million came from Congress.

In 1990, it was estimated it would cost approximately \$6,500 to move each home. In 1989, they got \$250,000 from the State. They came back to the Legislature and got another \$250,000. They did a match of CDBG dollars. Then they did \$1 million in 1992. Then they did \$1 million in 1993. We are still trying to determine what happened to this money.

I mentioned Dorothy Walker in this timeline, page 29, Exhibit C, because she was a resident who took 1 of the 45 homes to move from Windsor Park. We are now at December 5, 1990, on the timeline and can see the residents are engaged, attending meetings, asking questions, trying to figure out how they can save themselves. Mayor James Seastrand, page 31, Exhibit C, says there is a letter from Housing Secretary Jack Kemp that noted a third party, MinDevCo, and Windsor Park residents requested on November 7, 1990, that there is supposed to be some kind of action. I never understood who this third party was or why it was involved. I am not even sure this third party ever did anything of value.

Looking ahead to 1993, James Hobby asked the State Legislature why a task force was created for Windsor Park residents. The Windsor Park task force of one person still exists today. That individual was actively trying to ensure construction for the Walker Park Subdivision, the "Baby Windsor," the colloquialism of the community.

Jim Stumer from Dasco, Inc., in 1966 is back in the game in 1993 to build the houses, page 34, $\frac{\text{Exhibit C}}{\text{C}}$. Councilman Theron Goynes continued to ask for money. According to the record, an additional \$750,000 came from CDBG.

On April 5, 1993, A.B. No. 329 of the 67th Session makes an appropriation to North Las Vegas for the cost of relocating the Windsor Park residents, page 35, Exhibit C, minutes of the Assembly Committee on Ways and Means. The Director of Intergovernmental Relations for the City of North Las Vegas noted that the homes are continuing to deteriorate. They introduced the Project Administrator for the City's Windsor Park project and summarized the

problem. Mr. Hobby comes back to the table and says he became the Project Administrator in 1991 charged with developing a plan of action. The plan was created in 1991. Mr. Hobby was able to get an anticipated \$750,000 raised from CDBG dollars. They have \$1 million that could be raised from a State grant. Mr. Hobby indicated Congress allocated \$2 million for the Windsor Park project. The City, through the CDBG dollars, is allocated the \$750,000 with the State allocating \$500,000—\$250,000 in 1989 and \$250,000 in 1991—and it is going back for an additional \$500,000. If approved, this would mean the City would have already raised \$3.75 million.

Why was that not enough money to remedy the issue? The first remedy was to move four homes, but it was determined that was too expensive. The second remedy was to do the grants and allow for folks to move and carry their mortgage to another property. I have only seen \$51,500 or a \$15,000 revitalization piece. The third remedy was the 45 new homes.

Assemblyman John Marvel was in the hearing and asked many questions. Assemblywoman Chris Giunchigliani was also there and asked Mr. Hobby to clarify that the homes were guaranteed by HUD. Mr. Marvel then stated they were supposed to receive a guaranteed HUD loan similar to the Federal Housing Administration. They then noted that some of the families are deceased. They also noted that there would be no means of recovering funds. Mr. Hobby further stated that each owner has a 6,000-square-foot lot. If I have a 6,000-square-foot lot and realize my home is sinking, do I deserve the equivalent or less than the equivalent? The 45 homeowners got less than the equivalent. What they got was somewhere around 1,300 square feet.

Mr. Hobby recited the history of everything that happened before. Assemblywoman Chris Giunchigliani asked questions about the shared relationship between the City and the State and why the City has not put any money into this endeavor. That conversation was taking place in the 1990s, and I am having the conversation today in 2023 about shared relationships. It is not to say that they did not get any money because they did get federal money. Mr. Hobby explained the federal government was engaged. Then he gave a snapshot of these families. They were senior citizens who were widows or widowers. Some are still paying on a 25- or 30-year loan. He pointed out that most do not have the funds to pay another loan and the City has installed, as part of the relocation plan package to prevent anyone from taking advantage of

the package, the \$15,000 rehabilitation of the home as a deferred loan. Residents could either take the \$51,500 to move, have the loan attached or take the \$15,000.

I stated in the documentary there is a narrative running around these 90 families that it is their fault they remained in the community. It is their fault they did not take the \$51,000. Mr. Hobby came to the State Legislature and testified that insurance for the majority of the residents had been canceled. He said he gets called monthly about insurance companies canceling Windsor Park residents' insurance, and the homeowners are unable to acquire replacement insurance. The residents are in a real predicament because they cannot sell their homes or property, and HUD has redlined the area not to give loans.

You tell me whether that homeowner was supposed to figure out a master plan and fight against the fact of home insurance arbitrarily canceled. Then the area was redlined. You tell me what those widows and widowers who are senior citizens were supposed to do. They were seeking help; they are still seeking help. The remedy is still on the table because it has not been effective, and it has not solved the problem. I am delivering the timeline to you because I want to be clear about who was doing the work and who was coming to their aid. Although the City went to Congress and got federal money, you neither see any minutes in here where the City defended the arbitrary cancelation of home insurance nor any additional dollars outside of the CDBG match grant.

I am fighting for the residents of Windsor Park because it is justice, and it is the right thing to do. The minutes, Exhibit C, reflect they were putting liens on the property; you will remember the residents saying at the April 13 bill draft request presentation they are still getting liens on their property for the property not being right. The City was putting liens on their property in the 1990s saying their property was not up to code and their homes were sinking because they were on fault lines. Groundwater was removed every year for about 20 years. I have those records from the Office of the State Engineer.

Assemblywoman Vonne Chowning asked about Windsor Park and mentioned the Bonanza Greens community subsidence problems. They were able to get help. The City acknowledged Bonanza Greens got help because it knew the developer, but we could not find the Windsor Park developer. Another

neighborhood got a remedy, but there is no remedy for Windsor Park because we cannot find the developer.

North Las Vegas Ordinance No. 1095 was introduced by Councilman John Roads in September 1993. There is a development agreement between the City and Dasco, Inc., to relocate 45 homes to Walker Park.

The next set of minutes, page 46, Exhibit C, contains a discussion on the Windsor Park issues. Hattie Canty, 2116 Jeffrey Avenue, states she was pleased with the way the relocation project had been handled in most respects. However, she complained about how the Hampton's home was situated on the lot with the front door facing the side of the neighboring home. The minutes note Mr. Hobby said the size of the lot made that necessary; if rotated, the placement would not meet the setback requirements.

Why did I bring up the fact earlier they had a 6,000-square-foot lot? Because now they have a home where a front door faces a neighbor's home. In the normal home, the door would be facing the street. You tell me whether that was an equivalent home or whether that was substandard for what the residents purchased with their own money the first time.

Dorothy Walker notified the City Council she also received a call from Ms. Hampton who does not like the way her house is situated on the lot and there was not enough police protection. She also asked the City Council to exert pressure on elected officials for the "exorbitant insurance rates." They were determining if residents were being charged extra homeowners' insurance.

Dorothy Walker complained about the lack of work progress at the relocation sites, page 47, Exhibit C. There is a period of time between 1993 and 1994 when the residents are being moved. She then talks about the families still living in City-provided apartments. Mike Francisco on Balzar West complained he was fired by Dasco, Inc., for no apparent reason, page 47, Exhibit C. The residents told me Dasco said although they were to help redevelop, they would also hire the residents to work for the company, yet Mr. Francisco was fired. Philip Ramos was a journeyman carpenter and also complained he was laid off from Dasco for no apparent reason and felt there was a discrepancy in the payroll procedure, page 47, Exhibit C.

New houses are being built; promises were made. The 90 residents did not move because they did not see this as a sustainable effort. They also did not see it as something where they were going to benefit because the ones who took the 45 homes discovered the homes were substandard. The remaining residents decided to continue to fight.

Minutes from another City Council meeting on January 19, 1994, note the rehabilitation of the Windsor Park homes will cease due to cost overruns, page 48, Exhibit C. Dorothy Walker asked if Dasco, Inc., will be obligated to repair items from when the associated contract was active. David Peacock still addresses the construction issues and requested the City clean up vacant lots. The residents constantly address the cleanup issues. The vacated lots were now owned by the City but not being maintained.

Patrick Smith asked if all the State money was expended. By this time, they had at least \$3.5 million. Windsor Park residents are still asking where the money is. Patricia Alston reported the ground is still shifting beneath her home, and her water main broke. The City repaired the main, but the remaining hole was not filled properly. She complained about the vacant lots and the teenagers using drugs, and then she requested a burned-out streetlight in the community be replaced and questioned which phase of the project she will be relocated, page 49, Exhibit C. Willie Mae Scott on 2108 West Cartier complained about being unable to lock her front door due to the earth's shifting.

Assemblyman Morse Arberry, Jr., applauded the Council for its decision to cease rehabilitating the homes. However, he felt Dasco, Inc., should have looked at homes prior to the residents being moved to ascertain the cost of relocation. There was relocation without proper planning using a developer from 1966.

On March 2, 1994, Neva Douglas asked the City Council if Dasco, Inc., would be responsible for repairing items previously overlooked or not completely repaired. Assistant City Manager Linda Hinson replied some items will be covered in the warranty received at the close of escrow, page 50, Exhibit C.

Dorothy Walker continues to attend City Council meetings. In June 1994, the Windsor Park Task Force responsible for managing the relocation continues to ask questions about the timeline starting in 1993.

Funny how someone can continue to say it is not their fault the 90 residents did not leave. Would you leave on a shaky note, or would you want certainty in your life? I would certainly want to leave my existing home and get something of value I am not going to have to fight over. Will it be repaired? Will you fix it? So they stayed. I want to make that clear because there is a narrative floating around that it is their fault. I am going to load all the minutes. I have the City Council minutes. I have the Legislature minutes. I have the Congressional Record. There will be no contest as to the proof.

In August 1994, Ruby Hampton informed the City Council she was unable to contact anyone at Dasco, Inc., to attend to unresolved problems in her Windsor Park home. She complained about the ceiling, the squeaking floor, the paint in the bathtub and the quality of water, page 54, Exhibit C. Should the 90 remaining residents have stuck it out and fought or not? Because that is why they are fighting today and not giving up.

Dorothy Walker passed away. She was one of the original residents who stood at the City Council meetings repeatedly saying what we got was not right. What we got was not just. What we got is not a remedy.

If I continue to hear it is the residents' fault that they stayed, it is lying. I am the kind of advocate to not just say it. I am going to prove the truth and show you the truth because I am tired of having to fight for families against their own city. I am not going to sell my own community down the river. When they ask me for help, I am going to stand with them, fight for them and put all this in the record because I want to make absolutely clear they are not making up their story. They are not in denial about what is going on.

SENATOR NEAL:

I will now address the U.S. Senate hearings that took place in 1994, as shown in Part 2 of the Limited History (Exhibit D). We have Senator Barbara Mikulski and Councilman Theron Goynes giving background, laying out the history and talking about the money. The U.S. Congress responded by allocating \$2 million in special purpose grants in 1991 and 1992, the State gave \$500,000 in State funds in 1989 and 1991, the City provided \$760,000 in Community Development Block Grant funding in the fiscal years 1990, 1992 and 1993 and in excess of \$221,564 in City general funds for a total of \$3,260,500, page 4, Exhibit D.

This is how much they have accumulated. Now they are back at Congress in committee asking for \$4 million. I want you to do the numbers because there was \$4 million and they really need \$14 million. They have accumulated \$3,260,500. They go back to Congress to ask for \$4 million. They are asking for \$14 million. I see them getting the \$4 million when I looked at the minutes.

Linda Hinson, Assistant City Manager, continues to lay out for the record all of the history, page 6, Exhibit D. She put additional documentation on the record of the new construction cost for 189 homes times \$50,000. She also lays out how they got the \$14 million total needed, page 10, Exhibit D. This is 1995. The minutes continue, Senator Mikulski closes out the hearing saying thank you for your advocacy.

After the congressional hearing, I went looking to see what happened at the City in 1995. It received \$3 million, Exhibit D. Based on that, we are now at \$6.26 million. On April 5, 1995, the City gets another \$1 million, so now we are up to \$7 million. Why go back to the Legislature? It has \$7 million.

The City the Legislature in 1995. went back to May Assemblyman Morse Arberry, Jr., was still chairing the Committee on Ways and Means. Assembly Bill No. 348 of the 68th Session makes an appropriation to the City of North Las Vegas for costs of relocating residents of Windsor Park whose homes are sinking, Exhibit D. The State has been involved. The comment made to me was it was about time the State got involved in the work when we clearly have been engaged; just not asking for \$20 million which is in S.B. 450. I am asking for this amount because you saw in the previous record it was about \$221,000 in City funds. Then it was \$760,000 CDBG funds. Those were matched by the State.

When we talk about what Congress did, what the State did and who keeps asking for money, is this a shared responsibility or not? There are also questions on what was done with the existing money. How did you effectively use it? It looks like homes were poorly built after their other homes were sinking because of groundwater removal. Then when they came and complained, the City said I cannot help you. I am building the case and putting the bulk of the onus on the City because it is time to step up and remedy this problem. The State has consistently been at the table.

I want to highlight page 21, Exhibit D, that says Ms. Brown stated the total cost of the Windsor Park Revitalization Project is \$16 million. There is \$6.7 million funded by HUD, the State and the City of North Las Vegas. That is interesting—another city that was not their City put in money? Then I continue through the minutes. The same characters are asking about what is going on. Why are you back? Why are you still asking us for money? The residents know something is wrong and they do not want to move.

Then Councilman Theron Goynes talks about the engineering report. He mentions in the minutes why is it costing so much for consultant and engineering fees. The money is being spent on people who cannot help these families. Then they ask about the current bid at about \$69,000 per home to build. What is going on? I am getting to the part I really love. This is building the timeline. I am clear I want to talk about where the money went.

Let us look at the June 21, 1995, City Council Meeting Notice and Agenda, page 26, Exhibit D. They get a letter of support for the Housing Authority of the City to submit a proposal to the Department of Housing and Urban Development to demolish unoccupied units. Now we have demolition.

Neva Douglas is back at the City Council in September 1995 to advise her home was rehabbed by Dasco, Inc., and after less than two years, the paint is peeling. She wanted to know what recourse she had. The City Manager says the paint is not under warranty and there is no means by which the City can require Dasco, Inc., to repaint for a project completed more than a year ago, page 27, Exhibit D.

The Windsor Park families are important to me. If federal money was used to develop this, why is there not a remedy? Why would the conversation not be "Listen Dasco, go back and repaint these homes." We asked Congress for this money to move them to these homes. Would that not have fallen into a question of whether this company had appropriately built these homes? Why is the paint peeling and you are just getting in the house? I have been in my house for 12 years. The original paint is still on the wall and has not peeled. I do not have any questions about the bathtub which no longer has the paint. Whose responsibility is this? Either you advocate for your people or you do not. But if you are representing people, we are talking about your own citizens, are you supposed to go back to them or not? Because this is the moment where you

say Dasco, you have been paid, we have given you money, you have built these homes, go in there and fix them. Why? Because they deserve it. Is that a selfish complaint to say I do not want to live this way after I just moved from my sinking home? No, it is not. I am laying this record out because I am tired of the excuses, and I am tired of the statements that somehow these families missed their golden ticket to leave.

On December 20, 1995, we have the Quit Claim Deed for six properties and approval of the construction project extension to RV Construction Company to build an additional 25 homes not to exceed \$2.1 million, page 29, Exhibit D. I kept wondering, the City just got \$4 million and has a total at this point of roughly \$6.7 million. Money has been spent already. Now the City says this cannot go beyond this particular amount.

Looking at the November 18, 1998, Meeting Notice and Agenda, Exhibit D, Fannie Mae somehow gets involved. Remember when I was asking about the CDBG dollars in the budget accounts at the bill draft request presentation meeting and asking about the Fannie Mae money? I was inspired because I thought maybe I missed something. I found out there was an allocation of CDBG dollars and supposed to be a disposition in the amount of \$300,000 annually over a ten-year term for the Windsor Park Housing Revitalization Project. There was also an authorization for medium-term financing up to \$4 million in general obligation bonds under a resolution, page 33, Exhibit D. Now we have a plan to do \$300,000 every year.

In the December 7, 1998, Meeting Notice and Agenda, a final action, Ordinance No. 1303, provides for the issuance of medium-term housing relocation bonds in the amount of \$4 million, page 35, Exhibit D, so there is no question because these are minutes.

The bond that continues to appear in the publicly adopted budgets which references the \$4 million general obligation bond, Exhibit D, is still in existence. It did not expire in ten years.

On December 2, 1998, the Nevada Department of Taxation says the request of the City Council of North Las Vegas for medium-term financing for \$4 million has been received and approved, Exhibit D. Then I asked myself,

where is the \$300,000 that is supposed to be accumulating every year to move these families, and why have the families not been moved if that is the case?

I found a *Las Vegas Sun* story from July 6, 1999, pages 18 and 19 included in Part 3 of the Limited History (<u>Exhibit E</u>), saying the Federal National Mortgage Association (Fannie Mae) purchased a \$4 million general obligation bond in February that made it possible for the City to relocate homeowners, which made it quicker than originally planned. The City must repay the money over ten years. Fannie Mae's involvement expedited the process by 15 years.

Who then owns the bonds? Fannie Mae. What is in the budget? A Fannie Mae line item associated with these dollars. Not only do I have the minutes that say it happened, but I also now have a 1999 news story confirming events.

Looking at February 12, 2002, Special City Council Meeting minutes, page 20, Exhibit E, Treasurer Clarence Van Horn pointed out that of the \$5 million savings in a Special Purpose Revenue Fund, approximately \$1.6 million was Windsor Park bonds that had not been spent. Nobody else is moving at this point, but it is 2002 and there is \$1.6 million left.

A HUD Consolidated Plan 2000-2004 mentioned Windsor Park on its page 103, page 22, Exhibit E, that we are unable to track. There was a meeting in 2002, and an agenda item notes Windsor Park relocation due to subsidence. It says there was a CDBG pre-award. Another set of CDBG dollars went somewhere. I continue to search for this allocation of funds.

Myrtle Wilson provided the Windsor Park History (2022) from the Office of the Mayor and City Council, City of North Las Vegas, to the William S. Boyd School of Law, page 24, Exhibit E. Interesting about this is a total of \$14 million noted in that document. Is that the Fannie Mae bond generating money every year from 1998 to 2022? I need to understand how much money is being generated from this document.

I looked at the February 11, 2014, Special City Council Meeting Minutes where Fund 208 (Community Development) is discussed, page 28, Exhibit E, because this was the publicly adopted budget. In 2002, Treasurer Van Horn said \$1.6 million was left. In 2014, there is an unused fund balance of \$1.7 million. Now in a recession, they were asking if these funds could be used.

City Attorney Sandra Douglas Morgan said no. A fund balance consists of a nonspendable \$2.6 million in land held for resale and the remainder of the funds is primarily to support Windsor Park residents, page 28, Exhibit E.

I will review the City of North Las Vegas Special Revenue Funds Summary from the adopted budgets (<u>Exhibit F</u>) discussed during the April 14, 2023, Committee meeting and bill draft request presentation.

The FY 2015-2016 adopted budget, <u>Exhibit F</u>, shows Windsor Park-Fannie Mae (FNMA)-CDBG Fund 233 with a beginning balance of \$811,132; expenses of \$467,000; and an ending balance of \$344,132. Then for Windsor Park-FNMA, you see a beginning balance of \$854,806; expenses of \$265,200; and an ending balance of \$589,606, <u>Exhibit F</u>. In the FY 2016-2017 adopted budget, <u>Exhibit F</u>, the numbers are the same numbers as those in the FY 2015-2016 adopted budget.

The FY 2017-2018 adopted budget, <u>Exhibit F</u>, shows the Windsor Park-FNMA-CDBG, Windsor Park and Windsor Park-FNMA description referring to Ordinance No. 1303 saying on December 7, 1998, a \$4 million general obligation bond was authorized for the relocation of Windsor Park residents. The balance of the three funds is showing \$1,032,200.

The FY 2017-2018 adopted budget, Exhibit F, shows Windsor Park 2016 actuals of \$6,120 of the 2017 adopted budget of \$300,000; the 2017 projection of \$299,450; the 2018 adopted budget of \$300,000; and a 2017 vs. 2018 variance of \$550 or 0.2 percent. Windsor Park–FNMA shows no 2016 actual amount; \$265,200 as the 2017 adopted budget; no amount for 2017 projection; \$265,200 as the 2018 adopted budget; and a 2017 vs. 2018 variance of \$265,200. What happened to the \$1,032,200? These publicly adopted budgets mean they should have been audited.

The FY 2018-2019 adopted budget, <u>Exhibit</u> F, shows the Windsor Park-FNMA-CDBG, Windsor Park and Windsor Park FNMA funds as having \$2,568,213 pursuant to Ordinance No. 1303. The adopted budget shows a Windsor Park-FNMA-CDBG beginning fund balance of \$811,056; revenues of \$467,000 assuming Fannie Mae continued to generate money; and expenses of \$1,278,056. This money is federally tied because I have proven the connection. I am not understanding these numbers.

The FY 2018-2019 adopted budget, <u>Exhibit F</u>, shows Windsor Park as having no beginning fund balance; revenues of \$170,454; expenses of \$170,151; and an ending fund balance of \$303.

The FY 2018-2019 adopted budget, <u>Exhibit F</u>, shows Windsor Park-FNMA as having a beginning fund balance of \$854,806; revenues of \$265,200; expenses of \$1,120,006; and no ending fund balance. Where is that money and where are those families who were moved with the money? I showed you the City Council minutes indicating you cannot spend this federal money on anyone but Windsor Park residents.

The FY 2019-2020 adopted budget, <u>Exhibit F</u>, shows Windsor Park-FNMA-CDBG, Windsor Park and Windsor Park FNMA as having \$1,211,056 pursuant to Ordinance No. 1303. Windsor Park-FNMA-CDBG-00233 has a beginning balance of \$711,056; no revenues; expenses of \$711,056; and no ending balance. Windsor Park-00280 does not reflect a beginning fund balance, revenues, expenses or an ending fund balance. Windsor Park-FNMA-00285 shows a beginning fund balance of \$500,000; no revenues; expenses of \$500,000; and no ending balance.

The FY 2020-2021 adopted budget, Exhibit F, shows the Windsor Park-FNMA-CDBG, Windsor Park and Windsor Park FNMA as having \$817,000 pursuant to Ordinance 1303. Windsor Park-FNMA-CDBG-00233 has a beginning fund balance of \$567,000; no revenues; expenses of \$567,000; and an ending fund balance of zero. Windsor Park-00280 has a beginning fund balance of -\$17,991; no revenues; no expenses and an ending fund balance of -17,991. Windsor Park-FNMA-00285 has a beginning fund balance of \$595,223; no revenues; expenses of \$250,000; and an ending fund balance of \$345,223.

I am trying to establish a money trail to figure out how much money is left for these Windsor Park families. There were CDBG dollars. A Fannie Mae general obligation bond was supposed to generate \$300,000 every year that could not be spent on anyone but Windsor Park residents.

<u>Senate Bill 450</u> is asking for \$10 million from the State and \$20 million from the City. The bill stipulates the Windsor Park residents must be moved as a group; the homes being built for them must be equivalent to what they have; and the

Housing Division, not the City, will manage the process. In addition, the Housing Division will create a special mortgage assistance program because we must find a remedy for new Windsor Park residents, Latino families who purchased homes as well. Furthermore, the power, sewer and other connection fees must be rolled over, meaning they will continue to pay their current fees.

Finally, <u>S.B. 450</u> says when the families vacate, the Windsor Park land must revert to park space. For many years, the families have been wanting park space, and it only made sense to allow for a covenant to run with the property. The use of the vacant lots owned by the City will be left to the City. The reversion will not go back to the City, it will go to the State. The reversion is that the lots vacated by Windsor Park residents will be turned into park space.

In May 2019, another environmental study was conducted by the City on the land because it was looking at expanding North Fifth at City View Park. A 1967 law says whatever you take from a federally designated park, you must replace somewhere else. I found park conversations in several budgets and documents. Also conducted was a biological study to determine animal habitat. I shared the environmental and biological studies with the Windsor Park residents in 2020. The study said there is no more subsidence, and the land is stable enough for barbecue pits and concrete floor bathrooms. The vacant parcels were valued at \$1.1 million. Excess funds after completion of the park were to be used for the installation of a cell phone tower. We can establish the park space because a study from 2019 that helps support this endeavor.

SENATOR BUCK:

Are the Community Block Development Grant expenses documented anywhere?

SENATOR NEAL:

The Finance Director for the City is present in Las Vegas, so maybe he can answer the question. I only have the publicly adopted budgets from the City website. There has been a Freedom of Information Act request from students at the William S. Boyd School of Law. They thought they were going to get some of the information today and then were told it would be 30 days.

WILLIAM HARTY (City of North Las Vegas):

I am grateful to have the opportunity to dispel some of the misunderstandings about the budget book and actual money spent in Windsor Park.

I got a request from Senator Neal to be here today to provide information regarding the Windsor Park funds (<u>Exhibit G</u>) for the last eight years. I came prepared to do so. The two-page handout will accompany my explanations. I can answer questions about any money spent since FY 2015-2016.

Senator Neal pointed out the three dedicated funds for Windsor Park-Fund 233, Fund 280 and Fund 285. As a preliminary matter, please note the City has approximately \$2.5 million left in the Windsor Park funds. That amount has been unchanged in the last eight years. Only \$246,000 has been spent since FY 2015-2016.

Each year, the City creates a budget for the three Windsor Park accounts at or below the available funds. For example, in FY 2018-2019, as Senator Neal pointed out, the City budgeted approximately \$1.3 million in Fund 233, \$170,151 for Fund 280 and approximately \$1.1 million for Fund 285. For FY 2018-2019, the City had a combined budget of approximately \$2.6 million for Windsor Park because those were the available funds at the time. There was only \$188,732 in expenses that year, Exhibit G. That means most of the money in Windsor Park funds was not used and could be budgeted again the following year. I hope this clears up some of the confusion between budgeted dollars and actual expenditures. The budget books contain budgeted numbers, not actual expenditures.

Going back to the Windsor Park funds, there have been no recorded expenses for Fund 233 since FY 2015-2016. Fund 280 has a total of \$217,164 in expenses, and Fund 285 has a total of \$29,136 in expenses since FY 2015-2016. Total expenditures for all three funds over the eight-year period totals \$246,300. The second page contains a list of every invoice included in the \$246,300, Exhibit G. We can account for every dollar contributed by the federal government, the State or the City in the Windsor Park funds.

The City continues to budget expenses in these funds every year so we have the budget capacity in case there are residents who decide to participate in the program. It is a voluntary program, and there has not been a lot of participation. The ending fund balances in these three funds have increased due to interest income. The ending fund balance in Fund 233 is approximately \$1.3 million; the ending fund balance in Fund 285 is approximately \$1.1 million; the ending fund

balance for Fund 280 is zero, Exhibit G. The funding source for Fund 280 was a special purpose grant from HUD that was fully depleted in FY 2018-2019.

VICE CHAIR DOÑATE:

We have had discussions as to the \$4 million bond offered from Fannie Mae. Can you provide a response as to where that money is and what has evolved since we received it?

MR. HARTY:

The \$4 million from Fannie Mae was divided between two different funds. It was required to do so because funds had to be dedicated above and below the poverty line, so it was split into two different funds, Fund 233 and Fund 285. The \$2.5 million in the existing Windsor Park funds is the Fannie Mae money. Clearly, \$1.5 million has been spent and \$2.5 million remains unspent.

SENATOR BUCK:

I am assuming some of the money was spent to repair the properties. I also see an environmental study was expensed, <u>Exhibit G</u>. How much of the money went to residents?

MR. HARTY:

It is a voluntary program. If residents have not elected to participate in the last eight years, the funds go to approved and appropriate costs such as demolition costs and delinquent taxes, not to the residents.

SENATOR SPEARMAN:

It is a voluntary program and residents have not asked to be moved, but we just sat through a briefing showing all the discrepancies in terms of what the residents were promised and what they got. If you promise me \$100 and you show up with a nickel, I will no longer trust you. The residents have not asked to participate in the program because promises in the past have not been kept. Senator Neal, you did not address Dasco, Inc. Where are they?

Senator Neal just outlined what happened with people who believed the City in the past. We started with \$14 million. The City does not have \$14 million to move the residents, relocate them to a place similar to what they expected they were getting but did not get. We still have not answered the question about why their insurance was canceled, and nobody at the City asked the insurance

companies why. You indicated funds were used to pay delinquent property taxes. To whom were they owed? This is concerning to me because the timeline is 1966 when Black folks were fighting for civil rights, and this is also just a couple of years preceding Caesar Chavez fighting for farm workers. There is a history of people of color fighting for things they were promised but never received. You are going to send me a bill for property taxes? If I was a resident of Windsor Park, I would be really offended.

SENATOR SEEVERS GANSERT:

If a resident wanted to move out of Windsor Park, what would you offer them from the funds available? Would they get a portion of the funds to apply toward another house?

Mr. Harty:

I believe the number has not changed since 2004; it is \$100,000.

SENATOR SEEVERS GANSERT:

If someone wants to move, they would get \$100,000 for a new house, but the Windsor Park house is not resalable, correct?

SENATOR NEAL:

Their homes are not resalable. Senate Bill 450 gives a remedy for the existing homeowners who now have a mortgage because we are not clear on how these homes were sold to them. We must make sure they do not continue to raise families in these homes since asbestos cleanup is ongoing. The homes were resold to Latino families who do not know any different. That is why the bill tries to encompass everyone. Whoever was the realtor who took advantage of these families, I do not have any kind words for the manipulation of these families. They are living in homes with asbestos that were purchased in 2016, 2017 and 2018. According to assessor records, there are 38 existing mortgages. It is deeply concerning because no one has intervened to stop the sale of homes.

SENATOR SEEVERS GANSERT:

I do not know if the consumer advocate or Attorney General has purview over this because I do not imagine these people have the funds to fight this; that is why you are here fighting on their behalf. The State can help them if they have been wronged by realtors or the City.

SENATOR BUCK:

Mr. Harty, when did we last hear from Dasco, Inc.?

Mr. Harty:

Unfortunately, I am not familiar with that. I am grateful we have an opportunity to talk about this. Senator Neal noted in her presentation the City has repeatedly sought help from the federal and State governments. We might not agree on how to accomplish this, but the actions of developers and realtors need to be addressed. The record has shown City officials have repeatedly tried to seek help to fix these problems.

SENATOR BUCK:

The numbers in your records, <u>Exhibit G</u>, do not appear to add up. Perhaps, we could meet to determine why, from year to year, there are some discrepancies in the budgets.

Mr. Harty:

If there a question on a specific fund, I have all three funds, all the years, every budget referenced in the budget books during those eight years, and I will gladly walk through any particular fund on which you have a question.

VICE CHAIR DOÑATE:

To echo the comments of Senator Buck, it is a bit confusing because as we listened to Senator Neil's briefing, an accumulation of funds have been distributed over the years to the City. If revenue has been generated since we received these funds, where has that money been applied?

You provided us with information for FY 2015-2016 through FY 2022-2023, so there are gaps. The question could also be rephrased: if the money has been accumulating, what total amount has accumulated over the years?

Mr. Harty:

I need to make clear the numbers in the budget book are not actual expenditures. Just because we budgeted a number does not mean we spent it. Therefore, you can budget that same number every year. To add up or accumulate the budget dollars and assume millions of dollars are available in these funds is inaccurate.

That is just not what a budget book is. Budget books are not audited. Financial statements are audited. Financial statements have the actuals.

VICE CHAIR DOÑATE:

The question was what amount has been generated over the years since we received the Fannie Mae bond regardless of how much has been spent? What total amount has been generated from what was transferred?

Mr. Harty:

If you are referring to the Fannie Mae bond, it was a \$4 million bond separated into two funds, Fund 233 and Fund 285. Both of those funds are here on the spreadsheet, <u>Exhibit G</u>. The ending fund balance in both of those funds totals about \$2.5 million, meaning \$1.5 million has been spent.

VICE CHAIR DOÑATE:

That is not what I asked. What year did we receive the bond?

Mr. Harty:

Unfortunately, I am not sure but can quickly look that up.

SENATOR NEAL:

The bond was received in 1998 and purchased in February 1999.

VICE CHAIR DOÑATE:

What interest has been generated since we received the bond?

Mr. Harty:

I do not have the interest accumulation prior to 2016, but since 2016, we have booked \$117,000 in interest on the \$2.5 million.

VICE CHAIR DOÑATE:

Why do you not have the finances before 2016?

Mr. Harty:

We can go back and pull those numbers. When I last appeared before this Committee, I was asked to be prepared for 2023; yet, during the hearing, I was asked about eight years. I came today, having received a call from Senator Neal's office to be prepared on these eight years. We have the

information for the eight years and are now being asked to go back ten years before that to report on interest earned prior to 2016. It is information we can provide, but it is not information I was asked to come prepared for today.

SENATOR NEAL:

I did not know Mr. Harty was coming until 40 minutes before the hearing. We called and were told the entire Finance Department was not available. A representative for the City stopped by my office today and said their Chief Financial Officer would be at this meeting. The eight years is what I asked for the last time. I had hoped to provide the information to the public. I am not, as I said before, setting anyone up. That is why it was not on the agenda. We revised the agenda and removed it because I did not know of a presentation on the budget. It was decided at the last minute by the City, not by me. I gave my presentation based on what I had planned to do. If you look at the revised agenda, it says <u>S.B. 450</u>. It does not say a presentation from the City on the budget. I am clear about that. It needs to be stated you said you were unavailable today. I found out around 12:15 p.m. today you would be present.

Mr. Harty:

I apologize for the misunderstanding. Initially, I did respond to your office that I was unavailable. The City was having a Bring Your Child To Work Day, and I had signed up and volunteered to participate. When I found out there was a hearing on this, which was after I was contacted by your office, I cleared my schedule. I have one of my children here with me. I had to send the rest of my children home early, and they are missing the activities. I am making every effort to do my best to give you the information you need to make good decisions.

SENATOR NEAL:

Mr. Nakamoto, when did I schedule this hearing?

MICHAEL NAKAMOTO (Chief Principal Deputy Fiscal Analyst): I will have to look that up.

SENATOR NEAL:

What we can do at this time, Vice Chair Doñate, is turn to resident testimony in support. At the previous discussion, I did not have the actual bill draft request (BDR), and the BDR was introduced the following Monday.

VICE CHAIR DOÑATE:

We will move to testimony in support, opposition and neutral on this bill. Once again, we are opening the testimony for <u>S.B. 450</u>. As a reminder, there is a two-minute allocation per person. We ask folks not to be repetitive; if anyone exceeds the two-minute mark, we ask you to submit comments in writing to Committee staff.

CINTHIA MOORE (Nevada Environmental Justice Coalition):

We are in support of <u>S.B. 450</u>. This is an environmental injustice issue these residents are facing. Also, as a realtor, to hear the City is offering these families \$100,000 is quite frankly a slap in the face to them because many homeowners now have over \$100,000 in equity in their home. The fact they cannot sell the houses is unbelievable. The median home price in North Las Vegas is a little under \$400,000. The \$100,000 is not going to get them a new home. We urge you to pass S.B. 450.

PAMELA NEAL:

I am a resident of Windsor Park. I do not want to keep saying the same thing repeatedly. The last time we were here, we asked the financial officer from the City of North Las Vegas where the money was. As you see today, we still cannot get an answer. We need this bill passed so this matter can be resolved. We really need your help. You see what goes on with the City of North Las Vegas. We are tired of dealing with the same old thing. Day in, day out we get the runaround. Please, if this bill can pass, I would appreciate it.

BARBARA CARTER:

I am one of the original residents of Windsor Park. I moved there in May 1966. I support <u>S.B. 450</u> because it provides hope for the remaining residents. I agree we should be moved as a whole to another neighborhood. Windsor Park has become an area no one wants to live in or even pass through.

WEBSTER DAVIS:

I have been in Windsor Park since 1980. My father bought his home there in 1966. It is hard to raise kids someplace no one can enjoy. I support Senator Neal's bill. It seems like she is the only one fighting for us. The City is not fighting for us. I just ask that you look in your heart and help pass this bill to help the residents of Windsor Park to obtain suitable living arrangements.

ELI VALDEZ:

I am a new resident of Windsor Park. I bought my home in 2019 and was not aware of all the issues with the homes. I just recently came back from deployment at the end of last year and noticed cracks around my house. I am new to what is going on in my neighborhood, and it is all shocking to me. I did not know what was going on until a young lady organized an event in our neighborhood. With the new information I have received, I am in support of S.B. 450.

VICE CHAIR DOÑATE:

When you purchased your home in 2019, were there any disclosures or did anyone tell you of the Windsor Park situation?

Mr. Valdez:

No.

VICE CHAIR DOÑATE:

What was the purchase price of your home?

MR. VALDEZ:

I believe it was \$179,000 or \$189,000.

VICE CHAIR DOÑATE:

At any time since you have lived in your home, has the City ever contacted you as a resident of Windsor Park?

Mr. VALDEZ:

No, it did not. I had no idea about the geographical faults and other problems in the neighborhood.

VICE CHAIR DOÑATE:

Still to this day, has the City ever contacted you?

Mr. Valdez:

No.

Nancy Johnson:

I bought my home when I was 20 years old. I am now 67 years old. The offer of \$100,000 is nothing. The community matters to me. We all want to stay together and support <u>S.B. 450</u>. We would appreciate some help because the City has done us wrong. We deserve better. We do matter.

MYRTLE WILSON:

I am also a resident of Windsor Park. My family and I moved to Windsor Park in August 1965. There were only a few homes on Clayton Street where I live, and we lived there long enough to see the neighborhood build up. We were all witness to the issues Senator Neal raised. I have been attending meetings where promises were made to help Windsor Park. Some residents went to the Department of Housing and Urban Development in Washington, D.C., to fight for funds to repair our houses. I have not seen a dime of those funds. The last meeting I attended at the Martin Luther King, Jr., Senior Center, Mr. Robinson made the statement that this was the last time they were going to make an offer of \$50,000. What is \$50,000? Absolutely nothing with the price of homes. The cheapest home you can find nowadays is \$300,000. Most everyone is too old to start all over again. Nobody will give us the money we need, unless we have a cosigner, because most of us are in our sixties, seventies or eighties. Who will give us a loan to start all over? I do not want to start all over again, and I do not want to leave my kids with a bill to pay because I have taken care of everything, hoping this would help them out. So why would they want to start all over again? I am too old to start all over. I do not work anymore. We have been short-changed. These meetings with Senator Neal were the first time I heard of a \$100,000 offer. Nobody has offered us anything other than \$50,000. Thank you for helping us. I support S.B. 450.

EDWARD McCall:

I live at 2101 West Evans Avenue, North Las Vegas. What I have to say has been said already. I fully support the bill presented by Senator Neal.

MERCEDES DAVIS (Defend our Future):

Defend Our Future is a youth group that advocates for environmental justice. I live about five minutes from Windsor Park. I just learned of the issues. Even though this is not part of what I am officially paid to advocate for, I thought it was completely unjust that these people are living in Windsor Park, and the City

keeps claiming the residents are not engaged; yet residents keep reaching out to the City. I am the young lady Mr. Valdez referenced in his testimony. I arranged an event for Windsor Park residents to have a community discussion about this bill, and 50 people attended the event after just two days of canvassing the neighborhood. If the City wanted to reach out to these people to make amends, it does not take much effort. I am here to stand in solidarity and say I would like to see these residents get the justice they deserve. I support S.B. 450.

A'ESHA GOINS (NAACP, Las Vegas Branch):

I stand in solidarity with my community. I also stand in solidarity with Senator Neal. She has been fighting the good fight, and we want to make sure she knows she does not stand alone and neither does my community. I also want to remind everyone that this is not just a community. This is our family.

I was in Child Haven in Child Protective Services in a foster home, and the time I lived in Windsor Park was some of the best times for me. We walked up the street to the candy lady, up the hill to get our freezee cups and play in the neighborhood. I am still friends with those people that live there, the Turners, the McGees and others. I wanted to tell the story because I wanted to remind you this is a community, and there are futures still living there. I am certain my friends and the people I grew up with would like to go back to a community. If they cannot go back, they would like to go to where the community is. That has been snatched from them and from me. I wanted to paint that picture because it is important for the Committee to understand there is suffering today. There was a time when the community thrived and those young people thrived in that community. It is because of community that we thrived. They have been ripped from that, and it is unfair, it is unjust.

As you are looking at this bill, you cannot put a price on future generations. We do not even know the damage done to the future generations of the people who could have been raised in that neighborhood. That price cannot be spent, and that price cannot be totaled. As we are thinking about this bill and this community, my community, I want you to consider the importance of building community back and what that means for the future, what that means for future wealth. I support this bill, and the NAACP supports this bill.

MARY FORD:

My father, James Goodall, purchased our home on Lydia Street 40 years ago. I want to thank Senator Neal for taking on this campaign to save the neighborhood.

My father purchased a home for us, his children. My daughter and my grandchildren now live in the neighborhood. If you ride around the neighborhood, one of the essential things is the view. In the evening, you can see from downtown Las Vegas all the way to The Strip. The view is extremely beautiful. The community is a family. I was there a few days ago with one of the neighbors, Cornell Blanche, who is helpful in keeping the community clean. They treated us as a family, not just somewhere to live.

If you look at the homes and the families still living there, you can see how the homes have become dilapidated. The City has completely neglected the community. The families still there hold their pride for the community. There are sentimental values there. They raised their children and grandchildren there. The young lady just sitting here in support who gathered 50 residents for a meeting, I thank her as well. To make the effort on our behalf is such a grandstand for us, and we appreciate it.

I support <u>S.B. 450</u> and ask that you support it as well. I suggest you visit our neighborhood for yourselves to get a full understanding of our plight.

JORGE FLORES:

I purchased a house in Windsor Park in 2008 for \$110,000, and 15 years later, I am being offered \$100,000 for my home. That is not right. We worked hard to pay for the houses, and we deserve more. I would like to thank Senator Neal for helping the community. I support <u>S.B. 450</u>.

TANIKA WASHINGTON:

I am the niece of Mini Bradley who once resided at 2625 Stanton Drive in Windsor Park. I want to thank Senators Neal and Spearman for their comments.

This matter is near to me because my aunt was forced out of her home. When we talk about the \$50,000, we must talk about the people whose homes were taken from them by eminent domain, and they were forced to move elsewhere. My aunt is 80 years old and Miss Ethel is 86 years old with 30-year mortgages

today. When we are talking about potentially relocating people and they are rolling out those mortgages, I agree with helping the residents there; but I am most upset about the people who were forced out of their homes. Miss Ethel bought her home in 1969, my aunt bought her home in 1968, Miss Velma bought her house in 1966. Their homes were paid in full. These are women who did not have a mortgage payment in 1999 or 2000. Now we are talking about elderly women who are stuck with mortgage payments. To add another caveat to that, the City is questionable because one of the things in Senator Neal's research is that she said the City gave money. Why is it then the residents were forced to live within the jurisdiction of the City? That is another issue for me. Because of the subpar building in Windsor Park, my aunt purchased another home because she did not have a choice, and she has \$51,000 in plumbing issues because of the City. She went before Mayor Pamela Goynes-Brown who told her, "I do not know what to tell you, there is nothing I can do about it," when the City admitted it was their fault. My aunt has a septic tank in her front yard in the City at the corner of Cheyenne Avenue and Revere Street, so I want to know what can be done for that as well.

LAUREN DEGROTTO:

I am speaking on behalf of my mother, Lois DeGrotto, deceased, and my sister, Sharon DeGrotto. Thank you, Senator Neal for your valiant efforts. I hope you can achieve passage of S.B. 450.

My sister is the most recent victim of the City of North Las Vegas in that the City removed her from her property a few weeks ago, demolished the property and left her hanging out to dry. They have had a number of different practices of intimidation and manipulation of my mind.

My sister bought the property in 2015 to take care of my mother who has Alzheimer's disease. In 2019, she had surgery on her foot and has been in recovery from opioids for a decade. She became addicted and lost her capacity to function in a healthy way. As a result, in 2020 at the beginning of the pandemic, my mother came to live with me in Salt Lake City, and my sister was left in a condemned home because she was terrified of what was going on in her environment. She did not know when she bought the property that she would be required to make repairs that she was unable to do. She was constantly trying to fix the pipes and everything else, and she did not know that

she could not make the repairs because no one told her when she bought her house that it was built on shifting sand.

I support this bill. I also hope that the results of the property being demolished prior to the July 1, 2023, deadline where residents should be intact will be waived in her case if this bill is passed.

LINDA STOUT (Sierra Club):

On behalf of the Sierra Club, the world's largest environmental volunteer organization with more than 30,000 members and supporters Statewide, I am submitting my testimony (Exhibit H) in support of S.B. 450.

QUENTIN SAVWOIR (NAACP, Las Vegas Branch):

The NAACP was created over 100 years ago to protect and advance civil rights for people and communities of color, and housing was at the forefront of making sure those rights were protected. We are in full support of S.B. 450.

The way the residents and their families in Windsor Park are being treated is a civil rights violation. It is sad, though appreciated, that Senator Neal speaks for an hour with notebooks and evidence of how the City has been complicit in how these families have been mistreated. We do not bat an eye, we do not stop long enough to think about propping up a new Del Taco, a new Red Lobster or having protracted conversations about bringing new sports teams to our City; but when it comes to the foundations of taking care of one another, our leadership is failing in the City.

Not to conflate the issues, but I wonder if this would be as big of an issue as it is if we had a stronger and expanded City Council where there could be greater representation for families in the margins, for families who are overlooked, for families who have just been thrown away. Senator Neal, the families present in the Grant Sawyer State Office Building and the NAACP have said that is enough. We are done with overlooking these families who need our help and our support. This is a civil rights issue, this is an environmental justice issue, and this is a racial justice issue because if this existed anywhere else in the valley, it would have been handled already.

I strongly urge your support and thank you for hearing this bill today. Senator Neal, there is a special place in heaven for you. Thank you for your courage.

LESLIE TURNER:

I am calling in support of <u>S.B. 450</u>. I want to keep my comments brief because a lot has already been said. We must take care of our communities, and I would hope current and past residents and their families still living can benefit from some reparations due to this bill. Thank you, Senator Neal, for bringing it forward.

FRANK FRITZ:

I am speaking in support of S.B. 450, and I urge the Committee to vote for it.

About 30 City employee James Hobby vears ago, Assembly Ways and Means Committee for funds "to allow the Windsor Park families to reestablish their living conditions to the standard that once existed in Windsor Park." Senate Bill 450 will fulfill that promise 30 years later. The State and the City have long recognized their duty to help the families of Windsor Park after the ground subsided. They worked with the federal government to rehabilitate homes, build new homes, offer grants, and relocate about 90 families. But today, 90 families remain. They were not offered new or rehabilitated homes or refused the homes they may have been offered due to shoddy workmanship. They could not afford to move from their homes using a \$50,000 or \$100,000 grant.

<u>Senate Bill 450</u> is fair, it is just, and it will fulfill the promise Mr. Hobby made to this Legislature 30 years ago. I submitted my support testimony (Exhibit I).

KANDICE TOWNSEND (City of North Las Vegas):

Although I am here in opposition of <u>S.B. 450</u>, I want to first thank Senator Neal for bringing this bill forward. Despite my opposition, we are thankful the language of this bill clearly recognizes the geological faults and groundwater withdrawal issues in Windsor Parker are not suitable for the rebuilding of houses. We see this as a positive step that brings the bill sponsor in alignment with extensive federal, State and local scientific findings.

Unfortunately, this bill has not addressed the issue of what happens when the residents are unwilling to move. Since the 1990s, the City has administered a federal program that successfully relocated over 80 families. However, despite this program, many of the residents of Windsor Park chose to remain in their homes for various reasons. Furthermore, <u>S.B. 450</u> is not fiscally responsible and unnecessarily shifts the financial burden historically born by the federal government onto the State and the City. Approximately 90 percent of the \$14.5 million in funds for the relocation of the residents came from the federal government. The federally funded Windsor Park housing revitalization project has been successful, which is why, in part, of approximately 240 original single-family residents, only 92 private homes remain.

As you know, the State consistently ranks worst in the Nation for federal tax dollars coming back into our State. <u>Senate Bill 450</u> is an example of unnecessarily placing the burden on Nevadans instead of working together to secure more federal dollars to continue funding what was successful in the past. The City has been working with the federal government and has been asking the State for years to help with these efforts. As the mayor said, when we learned of the existence of this bill in the media, we were thrilled this issue was finally getting addressed at the State level. However, <u>S.B. 450</u> unnecessarily creates an untested plan. The residents of Windsor Park deserve decisive, well-thought-out action with proven results.

We look forward to partnering with Senator Neal and all the Windsor Park residents to find an equitable solution so everyone can move forward.

SENATOR SPEARMAN:

You said the City has been asking the State to help for years. We saw several instances where the State was trying to get the money, but we did not see any collaboration. Can you provide specific instances when the City was there and the State was not?

Ms. Townsend:

I will get that information to you.

SENATOR SPEARMAN:

We need to get that information as soon as possible because if that is indeed the truth, the information should not be hard to find.

Ms. Townsend:

I will get that information to you as soon as possible.

SENATOR SPEARMAN:

Given we are in the age of technology, you should be able to get the information to us within 24 hours. The records Senator Neal shared with us are City Council records. You said the residents who are there decided not to relocate because of various reasons. We also saw in these documents that some people trusted the City to do the right thing, but that trust was breached. I would like the record to show that there is conclusive proof the residents did not act because they did not trust.

Ms. Townsend:

I will get that information to you within 24 hours.

JARED LUKE (City of North Las Vegas):

I want to thank Kandice Townsend for her statement for the record. I appreciate this bill. I have only been with the City for three or four years. I am in full support and agree that how Windsor Park even came about is an evil that is a long conversation.

My opposition to <u>S.B. 450</u> is not to what the bill is attempting to do but how the bill is written. In 2013, the City was in fiscal receivership. We did not have the money to do anything. We were in arrears. Our bond rating was junk bond. If we came to this Body five years ago to to remedy Windsor Park or anything else within the City in this manner by stripping \$20 million out of a general fund or bonding for \$20 million from our bonding capacity, we would have been laughed out of this building.

We are grateful for the work Senator Neal has done. We are grateful that now there is recognition of the soil condition, the aquifer pumping and recharge, and the geotechnical microfissures that reside in Windsor Park and across the valley. We appreciate the conversations to find a solution to a complex and emotional situation.

VICE CHAIR DOÑATE:

Why has the City failed to instruct or provide some level of language or notification to the residents who moved into Windsor Park since you started working there?

MR. LUKE:

That is a good question, and I will check with our legal analysts. There are disclosure laws in the State. I do not know if realtors have waived those rights with buyers. I do not know if corporate investors bought homes and are leasing them for profit. As far as the City's response to what we can and cannot do, I must check with legal to see our limit of liability.

VICE CHAIR DOÑATE:

Do you have a plan in place to address any homeowners who could be potentially moving into Windsor Park?

MR. LUKE:

There is a working plan. We have been involved with the federal government, the Biden Administration and our Congressional Delegation to figure out how we can take another look at the regulations on how this federal plan even came about in the 1990s and if those regulations can be updated to current market so we can have a plan that makes sense to find a solution to a complex issue.

SENATOR SEEVERS GANSERT:

Some folks have been able to buy property when the houses are not supposed to be habitable. I wonder if their titles should be flagged. Does the City own any of the homes, or are they owned privately so they still have the right to sell their home? If they own the property, they have the right to sell it. If the title is flagged, potentially, it is a taking. I am not sure how a realtor or someone can sell those properties if they are not habitable or safe.

Mr. Luke:

You are correct, and that is what I mentioned earlier to Vice Chair Doñate. We need to look at the limit of liability and if we can flag a title without it being a taking. As far as flagging properties and how people can buy properties if they are uninhabitable, from my understanding the City is not selling properties that we have taken in this relocation effort in the past. Vacant lots the City owns were either purchased through a tax take back from the county or through the

relocation processes or procedures in the past where the home has been demolished and the lot is owned by the City as the administer of these federal funds.

SENATOR BUCK:

The way Windsor Park residents have been treated makes me angry. The City is no longer in receivership, so what is the plan going forward for this community?

MR. LUKE:

I agree with your sentiment. Windsor Park is not a situation we are turning a blind eye to. Neither the City management, staff nor the City Council is turning a blind eye to this situation. It is a complex problem that requires a solution. I cannot walk into a community and say I now have dollars, I can bond, I am going to take my bond rating out for a test drive, and I am going to do it at Windsor Park. There is still some hair on the dog if you will. Even though the City has made considerable strides in increasing its tax base, I must be sensitive to property rights. While we have had many conversations with residents of Windsor Park, some have the desire to relocate, some have expressed they just want their home repaired, some have expressed a desire to rebuild. We are finally to a point where everybody is on the same page. You cannot rebuild in Windsor Park because the soil condition is deplorable, but I cannot say Windsor Park is not habitable and then force somebody to move because that would mean the residents of Windsor Park have less property rights than folks living near a railroad track or under a bridge.

SENATOR BUCK:

It is sad that people can still buy these houses. We heard from a gentleman today who bought his home a few years ago and was never informed of the problems.

Mr. Luke:

I would like to have a conversation on the disclosure issues.

SENATOR SPEARMAN:

I often hear how the City of North Las Vegas came back from receivership, but I do not hear how the State Legislature orchestrated and developed the plan to get the City to live according to its means during a time while using enterprise funds for the general budget when not permitted to do so. I want to put that on

the record because in 2013, the City did not do it—it was the State that instructed the City what to do. That is always lost when people brag about the City's comeback.

You said the soil at Windsor Park is not stable, but I understand there are plans to build a light industrial park next to Windsor Park. How can Windsor Park land be unstable, but the adjacent land is stable?

MR. LUKE:

It is simple to explain that scenario. Based on the geological studies, it has been found that if you overexcavate considerably—10, 15, 20 feet—and then build a foundation that spans over 100,000 square feet, it can withstand the ebb and flow. It is akin to a tanker in the ocean versus a tugboat in the ocean. A small tugboat will feel those waves more than a tanker.

To the question of the legislative record, you are correct. It was in 2013 when the City devised a plan to pull itself out of State receivership, and we asked the State Legislature to work on the program with us. That plan was presented by the City, and I am grateful the State Legislature at that time approved the plan to move forward so the City could move forward.

SENATOR SPEARMAN:

For the record, Assembly Speaker Marilyn Kirkpatrick was in charge and led the way on the initiative. We got up to 2014, but we still do not know why the residents were not moved in 2000 to 2004.

SENATOR NEAL:

What I find interesting about this conversation is I understand the receivership; I was in the Legislature when the receivership was taking place. It does not speak to post-1998. It does not speak to the condition of the City of North Las Vegas in years 2000, 2002, 2004, 2006, 2007 regarding what it could have done then. Questions remain when we talk about the complexity of the issue which was understood and addressed and talked about in 1991, 1992, 1998 and 1999. It was relocation. Families at that time were not interested in all of them leaving because they were still engaged in advocacy and fighting for what they felt was proper and what was the right amount of money for them to move. That was not a selfish endeavor on their part to sustain their American dream.

In addition, it was stated this bill is not the right solution and the State has not been at the table. I put in the legislative records that the State was at the table and gave money. It went to Congress and asked for money. I have been hearing about conversations with HUD representatives. When I talked to Senator Catherine Cortez Masto about Windsor Park, she did not know what I was talking about. I sent her staff the documentary two weeks ago. Congressman Steven Horsford investigated the issue, but there has never been a conversation of delivering money.

My issue has been how long should the residents wait? I put in the record the \$760,000 of CDBG funds. I also put in the record the \$250,000 from the State was then matched with CDBG by a request from the City and then the \$220,000. The rest of the money is federal. Since I took this on with the William S. Boyd School of Law, I have been hearing the narrative of going back to the federal government for the money. However, as I put in the record, there is a question about the effectiveness and efficiency by which that money was allocated and used for the benefit of those residents. I have also had community meetings with the residents and, except for Miss Annie Walker, they agree to be moved as a community census group. I understand her sentiment and position because her husband has a park by Greater Faith Church which is on the hill in the community. Her sentimental value is deeper. I put in the bill for the land to revert back to park space so if she is still there and does not decide to move with her daughter, there would not be reverse condemnation against her property on the hill off of Evans. It would be secured with at least the reversion to become park space. I talked to the residents about that. They understood I would make sure there was no way for it to revert to the City and that those lots would be turned into park space which would, hopefully, protect Greater Faith Church and Prentice Walker Park on the hill.

It is disingenuous to come to the table and say it is about time the State moved. The State has been moving. Then to say, but not this money, not our money. It is taxpayer money. They are paying taxes. The testimony said we are taking the federal allocation dollars and paying their tax deficient lien with the federal money. I want to know if that is legal? Is that one of the proposed uses? Did the residents consent to that?

When we look at these various funds, the budget book, actuals, expenses, the variation of numbers, what I have seen is historical, a play on words and a play

on facts. I found it interesting I could put that much record in a legislative hearing from 1966 forward. There is still a question on the complexity of an issue addressed by Mr. Hobby to Congress in 1995 because there was a plan. It was specific. Then there was a plan reiterated to the Legislature. If there is now a magical plan, then let the residents know because we are not clear on that. We have engaged in conversation since 2019 on this issue. It is too expensive, which I am hearing now, and I do not want to give from our General Fund. Suspect for me was that you wanted to give general funds, and that is in conflict. I said this in the media on the 73 acres which is up the street, the tax cessation land. Yet in the documents provided to finance that I have in my possession, their application has \$40 million of City general funds. They still have American Rescue Plan Act, they still have HUD but when it was brought up, it was asked if the 73 acres were being purchased for affordable housing. It is a provisional award, but a clear application said we are seeking this, we need \$10 million from the State to buy it, and now it is an omission. Now it is said that was not our intent, but there has been no amendment to or withdrawal of the application. You want to come to the table and say, I do not have the \$20 million, but you can have it for what you want to do.

Your heart goes out for these families. When I talked to them, they have not seen you. They are not the kind to make up stories. They do not have a lot of time to make up stories. They just say it like it is. And I listen, and I am getting tired of the omissions. I am getting tired of the recharacterization of words, of facts and omitting the actual truth. I have been playing this game for a long time. I have been in this building since 2011. I am absolutely clear on bringing proof of what I am saying. I lay the record out so you are clear the legislative record of what I say is backed up with a document. I cannot say the same for the other side. They want to work together, then produce \$20 million.

I am passing this bill. I have the votes. I am not playing. You can take it for what it is, but I am telling you that you keep running this narrative that finally the State is in it. The legislative minutes and YouTube recording show that the State has been in. You are the only one that has been out. Keep recharacterizing words, keep playing word games, and we are going to have a problem. I am not willing to sacrifice another year on this mystical plan that exists. You did not produce it in 2019 when they came and voted against the first warehouse; there was no plan. I have conversation from minutes I could pull right now where it was stated on the record it is their problem. I went back

and checked it after Lashona Veasley told me about it. I thought I should watch it for myself because maybe she heard him wrong and that was last year.

I understand this whole thing is about my reputation and how nobody wants to look bad, and nobody wants to be the villain. I am not saying you are the villain, but you have neglected these families. They are aware of it. It is in evidence. It is proven and you still want to duck and dodge and recharacterize language, recharacterize city council minutes. How do you recharacterize what is written and signed and adopted? Now you are trying to tell us that what you see with your eyes is not true. Believe what I tell you.

We are not enemies, but I am on the side of citizens in the City of North Las Vegas. I do not know a single citizen who has met me, who I have stood by, who would say any different. I have been dogmatic since I got in the building. I will remain dogmatic for these families. I will remain dogmatic on the issues that matter because this is justice. I am warning that if you continue with this recharacterization of truth because I have been nice, I let you slide on all of these omissions, but I am not going to let you do it anymore. If you want to see what the fearless Dina looks like, she is getting revved up. She is getting ready to show up. This is the Dina who has enough courage to put the truth in the record and let you come to the table.

I asked Mayor Pamela Goynes-Brown if she would copresent this bill and her response was, "I need to read the language first." She got the BDR. Then she told me why am I just now getting it? I told her I got it at 3:20 p.m. You got it at 6:00 p.m. I have been in committee meetings all day. I shared it with her when I got time to share in the same day within three hours. Keep lying. Keep omitting the truth. Keep hiding. The residents know exactly who you are, how you behaved and what you have shown them. I put it in the minutes. It is here. Why are we recharacterizing actual documents and then playing games? I do not need a pat on the back. What I need is for you to sign your name. I am going to take care of my citizens—poor, Black, marginalized and Latino citizens—who purchase homes unknowingly. I will always make sure they are going to be there. I am going to take care of them. That has not been the narrative.

Now you come to the table because I bring the bill. I have been trying to work with you. You did not care, and you said we are too expensive. You would have

never brought a bill to this Legislature for these families. If you say that you did or would, 25 years are on record that the Legislature brought bills for appropriations.

Am I angry? Yes, because I am not going to play these word games and these omissions anymore. Omission is the same level as deceit, and I am not doing it anymore. You can run and hide, you can have somebody pay \$100 to run against me in 2024. No problem. One thing I know for sure, I have a lot of people behind me; even if I got \$500, which is the way I ran in the first time, \$5,000 and sweep the race, I will do it again. I am not playing games anymore. I am tired, and all I want to do is serve families. All I want to do is help these 90 families who are living with asbestos. You have the audacity to come to the table saying you are working out a plan. Since when? 1989? Stop recharacterizing the truth and spinning it for your own benefit and have enough courage to tell the truth about what is really going on in your position in it. That is real leadership. Stop hiding, tell the truth and have enough courage to take the blame and the criticism because I take it every day. You hide from criticism, but it is yours to have.

SENATOR SPEARMAN:

The bill I mentioned earlier that would set the record straight is A.B. No. 503 of the 77th Session that devised the plan to pull the City out of possible receivership,

An act relating to local financial administration; revising temporarily provisions governing the use by a local government of money in an enterprise fund; requiring the Committee on Local Government Finance to adopt certain regulations; providing a penalty; and providing other matters properly relating thereto.

That is how the City moved away from receivership. The State stepped in. It is authored by former Assembly Speaker, now Clark County Commissioner, Marilyn Kirkpatrick.

VICE CHAIR DOÑATE:

Before I close the hearing, I want to thank my colleague, Senator Neal, for her courage and the residents of her district who showed up. It is a testament of your work. It sounds like you have put a lot of thought over the last years for

this conversation to even exist. I have seen the social media posts about whether folks turned a blind eye—we turned a blind eye. There are residents who purchased a home not too long ago, so we have failed, we continue to fail, and it is time to address it.

I will now turn the gavel back to Chair Neal.

CHAIR NEAL:

I want to vote this bill out today if folks feel comfortable moving <u>S.B. 450</u>. We lost Senator Buck, but she cares about this issue and will have a chance to vote on it when the bill gets to the Floor.

SENATOR DOÑATE MOVED TO DO PASS S.B. 450.

SENATOR SPEARMAN SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR BUCK WAS EXCUSED FOR THE VOTE.)

* * * * *

TORI HOLIDAY:

My father was pastor Bill Miller. I am so proud of you, Dina Neal. I thank you for all you have done for us. My father would have been proud of you as well.

Ms. Washington:

Thank you, Senator Neal, for your passion when it comes to the residents and previous residents of Windsor Park. My aunt, Minnie Bradley, was a homeowner there at 2625 Stanton Drive who was forced out of her home. Thank you for basically calling Mayor Pamela Goynes-Brown out on the foolishness that is the City.

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CHAIR NEAL: The meeting is adjourned at 4:02 p.m.	
	RESPECTFULLY SUBMITTED:
	Connie Summers, Committee Secretary
APPROVED BY:	
Senator Dina Neal, Chair	
DATE:	

Senate Committee on Revenue and Economic Development

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Introduced on Minute Report Page No.	Witness / Entity	Description
	Α	1		Agenda
	В	1		Attendance Roster
S.B. 450	С	2	Senator Dina Neal	Limited History of Windsor Park
S.B. 450	D	10	Senator Dina Neal	Limited History of Windsor Park Part 2
S.B. 450	Е	14	Senator Dina Neal	Limited History of Windsor Park Part 3
S.B. 450	F	15	Dina Neal	North Las Vegas Adopted Budgets 2015-2016, 2016-2017, 2017-2018, 2018-2019, 2019-2020, 2020-2021
S.B. 450	G	18	William Harty / City of North Las Vegas	Windsor Park Funds
S.B. 450	Н	30	Linda Stout / Sierra Club	Support Testimony
S.B. 450	I	31	Frank Fritz	Support Testimony