MINUTES OF THE
SENATE COMMITTEE ON GOVERNMENT AFFAIRS

Eighty-third Session
February 10, 2025

The Senate Committee on Government Affairs was called to order by Chair Edgar Flores at 3:32 p.m. on Monday, February 10, 2025, in Room 2149 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4 of the Nevada Legislature Hearing Rooms, 7120 Amigo Street, 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 Edgar Flores, Chair
Senator James Ohrenschall, Vice Chair
Senator Dina Neal
Senator Skip Daly
Senator Lisa Krasner
Senator John Ellison
Senator Lori Rogich

STAFF MEMBERS PRESENT:

Jann Stinnesbeck, Committee Policy Analyst
Heidi Chlarson, Committee Counsel
Diane Rea, Committee Secretary

OTHERS PRESENT:

Sabra Newby, Deputy City Manager, City of Las Vegas
Nicole Rourke, Director of Government and Public Affairs, City of Henderson
Michelle Romero, Mayor, City of Henderson
Stephanie Garcia-Vause, City Manager-CEO, City of Henderson
Nic Ciccone, Government Affairs Manager, City of Reno
Kathleen Taylor, Vice Mayor, Council Member Ward 1, City of Reno
Jackie Bryant, City Manager, City of Reno
Joe Hardy, Mayor, Boulder City
Brittany Walker, City Attorney, Boulder City

CHAIR FLORES:
We have several presentations. I will open the presentation by the City of Las Vegas (Exhibit C contains copyrighted material. Original is available upon request from the Research Library.).

SABRA NEWBY (Deputy City Manager, City of Las Vegas):
I am one of the deputy city managers for the City of Las Vegas. With me, I have Kelly Crompton, our government affairs manager. The city council of the City of Las Vegas is comprised of seven individuals. We have a new mayor. You may have heard of her before. Her name is Mayor Shelley Berkley. We have six council members each elected from their own ward. It is interesting to note that five of our seven members have been at some point Legislators right here at the Nevada Legislature. We have a council manager form of government, and essentially what that means is that the voters elect our policymakers, the mayor and the city council. We have a professional city manager and professional staff that run the city.

What I like to use as an analogy is that it is kind of like a bicycle where the mayor and city council are the handlebars; they steer the organization in the direction that they want it to go. When there is a fork in the road, they pick which way they want this city to go; then the manager, deputy city managers and all the staff are like the wheels, pedals and the gears. We make the bike go in the direction that it is being steered by our elected in that policy format.

We have a very diverse city, as you can see on the slide, Exhibit C. This is the land mass of the City of Las Vegas. It is 142,000 [*sic*] square miles and very diverse. We are very proud of that. Our population is just about 670,000 right now.

One of the departments that we are very proud of is our Parks, Rec and Culture Department. We have 86 parks that we love to take care of that get over 12 million visitors annually. We have 15 community centers that attracted over 360,000 individuals in 2024. Because we have a growing senior population, I think it is important to point out almost 15,000 participants in our adult active fitness classes. We also have several events that you may know and love, things like Helldorado days, the Book Festival—which is always a good time—and Day of the Dead Celebrations.

But down to where the rubber meets the road, literally, we have a Public Works Department which includes utilities. We maintain over 1,000 traffic signals, about 1,400 miles of paved roads, over 60,000 streetlights and—as I am sure we are all appreciative when you flush the toilet the water goes down—the City of Las Vegas treats over 17 billion gallons of wastewater every year.

On to business and development, we like to think of ourselves as a very business-friendly city. Because of that, we issued over 4,700 business licenses in 2024, over 3,600 building permits and 96,000 building inspections to get those buildings up, occupied and businesses in them and operating.

When it really comes down to it, cities are based in—and their primary job is—public safety. We take that very seriously. Our public safety in fire is comprised of 22 fire stations that received over 100,000 calls in 2024. We also have the City Attorney's Office that prosecuted over 16,000 criminal cases in Las Vegas Municipal Court, and we maintain over 23,000 fire hydrants. From the recent news in California with their wildfires, fire hydrants really are the unsung heroes. It is important to make sure that they are operating well.

In terms of staffing, the City of Las Vegas has about 3,800 employees, and that's been steady in the last couple of years. You can see here in the chart, Exhibit C, the movement of employees over time back to 2016 and see that it has fluctuated, gone a little bit up, but not dramatically. The thing that you also see is that public safety comprises almost half of the total number of employees, showing that public safety really is a primary focus for us. You'll see later on another slide that it is also a primary driver of our expenses.

In our revenues budget at a glance in fiscal year (FY) 2023-2024, you can see that consolidated tax is the largest portion at 56.3 percent. That is traditionally a bit higher than what we would normally see. But consolidated tax does come in at number one, property tax in at number two at just under 20 percent, license and franchise fees just under 14 percent and other just about 10 percent.

Public safety is the largest expenditure that we have at the City of Las Vegas. That is about 63 percent or $475 million. Obviously very important. I will note that public safety for us is not necessarily just our fire, the marshals, courts or the City Attorney's Office. This also includes the portion of our funding that

goes to Las Vegas Metropolitan Police which, as you know, is the police force that is shared between the City of Las Vegas and unincorporated Clark County.

One of the questions I get a lot is, "You have talked about some of your revenue streams that generally come from taxes or fees; what about grant funding? Are you actively trying to get grant funds for the city?" Our answer is a resounding yes. We have a team of folks who work on grants and report up to Ms. Crompton. They actively seek out the grants and provide grant opportunities to our departments as they come up for those departments to apply for. Last year we got 45 federal awards, totaling out over $77 million. Eighty percent of those are what we call noncompetitive grants. Those would be things like CDBG [Community Development Block Grant], HOME [Home Investment Partnership Act] and HOPWA [Housing Opportunities for People with Aids], and grants like those that get sent to the local government based on usually a formula, but 20 percent of them are competitive and things that we went out and competed for and we received. We also go for nonfederal awards. Not as many of those, only 21, but we did receive a little over $1 million in those funds.

Not to be outdone, we are fairly coordinated in going after the community project funding or congressionally directed spending. These are funding sources from Congress, and they are directed toward the City of Las Vegas. We submitted 17 applications for the 2025 year; 5 of those were in partnership with local nonprofits because local nonprofits were not able to apply on their own. Those applications totaled about $43 million, almost $44 million. Nine projects were forwarded into the appropriations bills and those projects, including one for one of our partners, totaled a little over $22 million, if the appropriation bills ever get passed.

Language access is another topic that we get a lot of questions on, and we do a lot in this area—Many offerings. I have provided some of the high-level items that I think are most impactful, but the list is much longer than this. We do know that over 12 percent of our population is limited English proficient and that over 80 percent of those are Spanish speakers as their primary language. We do have a bilingual public information officer that helps with all our Spanish language items. We have a Spanish newsletter that goes out. We have City of Las Vegas TV, Channel 2—if you ever want to flip it on, it features content both in English and in Spanish. We also have several business incubator programs that are provided in Spanish as well. Just last year, we launched our Spanish

language YouTube channel. In addition to that, because we know there are many limited English proficient individuals for whom Spanish is not their first language, we do translate our website and several of our notices into other languages. Our website was translated over 330,000 times into a language other than English. So, we know that there are folks out there looking for information, and they are getting it in their preferred language.

The issue of homelessness—the City has long been a partner in this area. We do have several offerings; many of you have been able to tour some of our facilities and see some of those offerings. They include the Courtyard Homeless Resources Center; the Recuperative Care Center, which is our facility for homeless individuals who are recovering from an illness, hospitalization, maybe a surgery—right across the street from the Homeless Resource Center. We have the Second Chance Employment Program and a Ticket to Home Program. We have our Arrow Transportation Shuttle Service; this is three fixed routes that start from the Homeless Resource Center and take individuals to various locations where they need to access some services. Those may be the Social Security Administration, could be a hospital, could be the DMV to get their documentation.

We also have the Multi-Agency Outreach Engagement Teams, also called the M.O.R.E. teams. We have five of those that are out in the community interacting with folks that are needing service, not just interacting with individuals who are already homeless, but we also have housing services that both try and prevent people from entering homelessness and help people exit that as well.

On top of the services, we directly provide, we also partner with local nonprofits and provide funding to them for their services. We are looking to participate in the Campus for Hope with excellent effort and help from Clark County. That should be coming up on our next city council agenda. Related to homelessness is obviously the issue that a lot of you are concerned about and interested in affordable housing. We know that housing exists on a continuum and that there are many different products necessary for our population.

We currently have almost 2,000 units under a plan or underway with our current grants of over $14 million—that was in 2024. In 2019 through 2023, we were a part of the assistance in developing 1,100 units at about $13 million. While these funds do not fully cover the cost of every unit, we typically are able

to fill some gaps in a way that the developers can finance affordable housing. We are very happy to fill that gap where we can.

One of the things that we are excited about and one thing that I'm very excited about is that our Neighborhood Services Department is currently working on a community land trust. A community land trust is something that, if established, would build equity for low-income qualified homeowners and would ensure that those properties are made affordable into the future. What would happen is that a property would be within the community land trust, and the land would stay with the trust, but the home would be available for sale to a qualified buyer. The qualified buyer would purchase the home, live in it for a certain period of time, and when they go to sell it, they would be able to get some of the equity from that home to go on to their next property. Some of the equity would remain with the property to make sure that it is still affordable into the future.

We put in here our bills that we have sponsored. The City of Las Vegas gets three bills. I am not going to go into depth because at least two of them you are going to see in this committee.

Senate Bill 28 is concerning affordable housing. It allows the legal authority to support high-density, transit-oriented projects, and it also allows us to expand our permit fee offsets, which we already use for certain affordable housing projects, to go from 60 percent area median income up to 120 percent area median income.

SENATE BILL 28: Revises provisions relating to municipalities. (BDR 22-411)

Senate Bill 48 is our master plan clarity. It allows local governments across the State to more align their master plan as it relates to development of local communities. It cleans up language and brings that into focus for Clark County. Currently, the consistency standard is set for us for 16 of 17 counties.

SENATE BILL 48: Revises provisions relating to planning and zoning. (BDR 22-413)

Senate Bill 54 is our recuperative care or respite care bill and has to do with our Recuperative Care Center.

SENATE BILL 54: Requires Medicaid to provide coverage of certain services for persons experiencing homelessness. (BDR 38-412)

This bill probably won't come before this committee. It would establish a Medicaid code for medical respite care, which is the care we give to individuals recovering from their illness, wound care or whatever brings them to us.

Harsh conditions can cause wounds and issues to get worse. This would allow the State to fund, through Medicaid, those individuals in that facility who are eligible.

The final slide, Exhibit C, of course, [shows] we have a team of folks. The city manager could not be with us today, but his name is Mike Jansen. We have our Carson City team and our Carson City contract lobbyists who are always available and at your disposal.

SENATOR ELLISON:
On the affordable housing issue, Exhibit C, says 1,970 affordable housing units under development are supported in part by [about] $14,122,000 in grants. Is the City of Las Vegas doing the grants, or is there a different agency controlling this?

My second question is with these units being built, are there contractors borrowing the money to build the facilities, and do they pay that back, or is it strictly a grant?

MS. NEWBY:
The funds are typically received as a block grant funding. It is our CDBG, generally our HOME, our HOPWA which is housing for persons with AIDs. Those are funds we get, and we grant them out to particular developers of the affordable housing for that purpose.

The funding the developers need to come up with typically includes funding from other jurisdictions but also possibly loans and other tax credits. It is different for each developer and how they choose and compete for funding. It could be different on every project. Our Director of Neighborhood Services, Arcelia Barajas, is I think in the audience down south, so if I run into any serious questions that I can't answer about affordable housing or homelessness, I am sure she can pitch in for me.

SENATOR NEAL:
On the slide, you were saying the City of Las Vegas property tax revenues are shrinking. Can you get more into that?

MS. NEWBY:
The City of Las Vegas is landlocked with limited growth opportunities. We are looking at more infill than outward growth. We have several older areas. There is also the pressure of depreciation on property taxes. We expect that to happen. We are trying to say that as a function of the larger pie chart, property taxes are becoming a smaller percentage of the total pie chart.

SENATOR NEAL:
I was curious about that because when I was looking at your comparison chart, going back to 2006 and up to 2019. Prepandemic you were 18.4 percent in property tax on your pie, and now you are 19.7 percent—you are up. And the low was around 180 which does not include what you abated. In a prior chart you shared what was collected and what was abated. Do you have an updated chart on that?

MS. NEWBY:
No, not with me but we can get that to you.

SENATOR NEAL:
I would like to see that so I could see the difference because it was in 2008, which is a totally different period and population. You are around 180, but then there was a significant portion abated.

I want to shift over to questions on the Redevelopment Agency (RDA). What is the total amount in the budget that goes to the RDA for Ward 5? It is not actually broken out in the budget; it is just a blanket number for RDA which includes one for . . .

MS. NEWBY:
I do not have that information, but we can try and figure out how much has gone into RDA just from Ward 5.

SENATOR NEAL:
There has been a history of the 9 [percent] 9 [percent] on affordable housing. You have 18 percent set aside—9 percent affordable housing and 9 percent

related to education. What I did not know was that on the affordable housing side, how much of that goes toward true affordable housing?

This is what I have for your affordable housing for 9 percent. Eighteen percent set aside was roughly—what is that, $6 million, $6.4 million—and it is divided equally.

Under the affordable housing set-aside, it is a master lease program which is two years of stable housing for homelessness; Ticket to Home, which is stable housing support; housing stability services, which offers rental assistance; M.O.R.E. Teams in the Arrow Shuttle. The reason why I am listing this out is because what I believed was that the affordable housing, the 9 percent, was set aside for affordable housing that could be used for the westside. Why do I say this? Because I was having this conversation about the Jackson Street project and they were saying, "Oh, the 9 percent—the 18 percent is set aside, and 9 percent is for affordable housing." Making believe that this would be building of homes. That 9 percent is not being used for that purpose. It is being used for homelessness. I care about that too, but that seems to be a shifting of use, and it is not for homes in the underserved areas. Can you help me understand why that 9 percent set-aside is now being used for more homelessness services rather than what I thought, which was some activity either in Ward 5 or some of the other areas that need actual infill housing?

MS. NEWBY:
I am not sure where the understanding that it only included the built environment was for that 8 percent . . .

SENATOR NEAL:
It's 9 percent. It's probably because I asked the direct question to staff at a westside meeting on Jackson Street where they were asking what redevelopment funds are available and it was mentioned, "Well, 9 percent actually goes to affordable housing." Then my direct comment was, "Okay, that is great, but what about the actual economic development that still needs to be done because it is still a blighted area still defined under NRS [*Nevada Revised Statutes*] 279." It was a conversation directly with staff in a meeting in early summer.

MS. NEWBY:
I can investigate that. I know there are redevelopment funds that have gone into projects and are going into projects, not necessarily the 9 percent or the set aside, but other funds from the redevelopment area. One I can think of specifically is the Sam Cherry Development on the westside. There are redevelopment funds in that and a plan for the Market Hall which will be leased by the redevelopment agency for a period of 10 or 15 years to provide incubator space for small businesses—typically food businesses—for a Market Hall.

SENATOR NEAL:
How much is going toward actual economic development, remedy and blight? That is why I want to see the breakdown of the pie. I want to see the RDA by wards and how much money is dedicated to Ward 5 and how much is being shifted to potentially other uses that are probably not in Ward 5. That is what I am interested in this because when I look at the early childcare set-aside, you are also giving to Acelero [Learning]. What I found is the county has also given to Acelero in their 309 monies from 2019. Now I am trying to figure out how much money is Acelero getting from these various pots when we are funding Pre-K—or the Governor intends to fund it this year, and we did a one-shot—last year. When I list out your early childcare it's Strong Start Pre-K; it's Strong Start Go Mobile Pre-K; and it's AmeriCorps grant match for Strong Start Go and Strong Start Academy, which are Clark County School District (CCSD) elementary schools. I knew about the Reinvent Schools Program because that was the big debate in 2015-2017. Now SafeKey is rolled in and Junior Achievement BizTown. What I am trying to understand is if there is still blight in Ward 5. If Ward 5 still looks like 1982 and the 18 percent set-aside is being used for these other services—$6.4 million—I am trying to see how much of that belongs in Ward 5 and how much should be used on true economic development. Then we can do these other things once we take care of the holistic part of the blight.

MS. NEWBY:
I think your question was regarding the other 9 percent, which is the education portion and yes, we do have Strong Start Academies and Strong Start Academy Go. There is one located at Lorenzi Park. There is one that is the Strong Start Academy Go. For those of you not familiar with the Strong Start Academy Go, those are Winnebago buses outfitted as preschools. One of the locations of the buses is at the historic Westside School, and there are several options within

that area. We also have Strong Start Academy Charter School that is dual immersion language and is downtown, I believe in Ward 3 and not in Ward 5.

There are a number of Pre-K options, and should the State decide Pre-K would be funded, that would be amazing. Until then, we are providing these services.

We also have learning supports, as you mentioned, in our after care. We are able, through that program, to hire teachers who teach in the school to come to aftercare, to SafeKey, to continue tutoring their students and extend learning time for them in the aftercare program. That is one of the programs we use the funds for. There are a number of locations, primarily in Ward 5—and I think some in Ward 3. I will have to get those locations for you—elementary schools for which the city seeks grant funds or funds through these set-aside dollars for absolutely free before and aftercare for the parents at those struggling schools. From speaking with our director of Youth Development and Social Initiatives, we have evidence showing attendance is higher at those schools when parents know they have an option of the before and aftercare, and that is not a struggle for them. We believe that it is a useful expense.

SENATOR NEAL:
If you can provide that data, the list of the schools that have the increased attendance, I would definitely like to see that comparison specifically with the recent data I have pulled, which is not of purview of this committee, on the reading and math achievement of the children that happen to be in some of the west side schools.

I would like to see the comparison because I have been pulling the historical data for 15 years to see growth, and I am curious because the reading and math scores are still showing somewhere around 29 percent and 30 percent, and it is a resurgence back. I would love to see that data so I can see a comparison of how this investment is working within those schools.

CHAIR FLORES:
I know in the interim we had an opportunity to talk specifically about our unhoused population and things we can do. I can bring all the members into the conversation. I am curious how we are all getting along between different jurisdictions. I know we take on different obligations and responsibilities, and sometimes we have good partners, sometimes we have so-so partners, and that's what it is. I am curious to know where we are now—obviously we get

the general overview of where we feel we will be in the next couple of months and years.

MS. NEWBY:
I think that, on the subject of homelessness, we are working well together. I think the Campus for Hope Project and the investment into those services at the local level in Clark County has really brought us together because we have been working on it collaboratively with some other folks. The City of Las Vegas intends to be a part of that project. Financially we are struggling right now under some severe financial considerations because of the Badlands case. I have to give a shout-out to Clark County who has offered to come forward and help us with those costs in the first couple of years as we recover. Two draft agreements will be on our next agenda. I think we are working well together.

The City of Las Vegas has the Homeless Resource Center, and it serves as an open place for individuals experiencing homelessness to come. It is a low barrier. I think in the past there have been considerations about that, but it is the only [one] of its kind. Because we have had this open dialogue with our partners, regionally I think we have come to a better understanding of where we are and the role we play in the larger ecosystem.

CHAIR FLORES:
Thank you for your presentation. We'll have an opportunity to continue working with you all session long. We will close the presentation by the City of Las Vegas and open the presentation by the City of Henderson, (Exhibit D contains copyrighted material. Original is available upon request from the Research Library.).

NICOLE ROURKE (Director of Government and Public Affairs, City of Henderson):
I would like to introduce the Mayor of Henderson, Michelle Romero, and our new City Manager and CEO, Stephanie Garcia-Vause. They will be doing most of the presentation today, and I will be wrapping up with a brief mention of the two bill drafts we hope to bring before you in committee.

MICHELLE ROMERO (Mayor, City of Henderson):
We appreciate this opportunity at the start of each legislative session. It has been my honor to serve as mayor of the City of Henderson since 2023 and prior to that representing Ward 1 since 2019. I am a lifelong resident and had the privilege of working for the City of Henderson for 25 years, including as the

Redevelopment Manager for almost 10 years prior to my retirement as a city employee. I am also vice chair of the Southern Nevada Workforce Development Area Local Elected Officials Consortium and president of the Nevada League of Cities. I also serve on the Las Vegas Convention and Visitors Authority Board of Directors.

I am here today representing my colleagues on the Henderson City Council. From left to right we have Councilwoman Monica Larson in Ward 2, Councilman Jim Seebach in Ward 1, Councilman Dan Stewart in Ward 4 and Councilwoman Carrie Cox in Ward 3. I am pleased to introduce to you our new city manager and CEO, Stephanie Garcia-Vause. Ms. Garcia-Vause was named city manager in December, and I am going to turn it over to her for the next portion of this presentation.

STEPHANIE GARCIA-VAUSE (City Manager-CEO, City of Henderson):
I not only live in the City of Henderson, but I have worked there for three decades, including spending the past seven years as an assistant city manager and prior to that I served as the director of Community Development and Services for about a decade. Although they were not able to join us today, I want to highlight the other members of my senior leadership team: Assistant City Manager and Chief Infrastructure Officer Alyssa Rodriguez and Assistant City Manager and Chief Strategy Officer Lisa Corrado.

Both city leadership and our government affairs team are eager to work with you during this session, and I appreciate the opportunity to share our perspective and unique needs today. If there is anything we can do to assist you or if you have any questions you need answered, please do not hesitate to get in touch with us. We are here to help.

Henderson is a place for everyone to call home, and we have joined the rest of Southern Nevada in seeing increased diversity among our residents over the last few decades. Our population now exceeds 345,000, and we are the second-largest city in Nevada.

We are also the State's largest full-service city providing police, fire, emergency services, parks and recreation, public works, water and wastewater services.

As a city, we face our challenges with optimism and hard work, core elements of the culture we have developed over time, and we pride ourselves on achieving our goals no matter the odds.

As a result, the city has been awarded the prestigious Malcolm Baldrige National Quality Award, one of only five cities to have ever achieved this highest recognition for performance excellence bestowed on the President of the United States. This award validates our data-driven approach using national best practices to inform our strategies and to achieve our goals. We are excited to be accepting that award next month in Washington, D.C.

We want to share some information about the city's finances and budget. We are proud to have the highest bond rating of any city within the State with an AA-plus bond rating.

Henderson maintains the lowest tax rate among any major city in the State at only $.77 per $100 of assessed valuation. While we are proud that we maintain our services, programs and amenities with such a low tax rate, the city's statutory ability to increase it is quite limited, including the significant limitations of the property tax caps. Our general fund is comprised of a variety of sources, but approximately 73 percent is made up of the consolidated and property taxes. Our general fund revenues are budgeted at just over $388 million for FY 2024-2025. Since over 70 percent of our general fund is tax-based, that leaves only a small portion that we can control as a city, and we are beginning to see the real challenges soon with our available revenues.

Our total budget for FY 2024-2025 was approved at $392 million. Public Safety accounts for more than half of our general fund budgeted expenditures. Add in Parks and Recreation and 72 percent of our general fund budget goes toward these three areas: parks, fire and police. The rest of the budget is allocated to various priorities identified in our strategic plan as well as city operations.

As a city government that provides full services to the community, most of that budgeted expense is in the form of salaries and benefits. We partner with our unions and our employees directly to understand what is important to them and work to provide the most competitive compensation packages that we can afford.

We do seek both competitive federal grants and congressionally directed community project funds to support capital and operational projects. The city has a central grants office within the finance department that plays a dual role of supporting departments citywide in seeking new grant opportunities but also assisting with managing grants, serving as a reviewer and approver of all financial transactions related to grant funding. The centralized office ensures the city can align funding opportunities with strategic priorities and prevent a duplication of effort. It also ensures better compliance and oversight as a single office helps ensure adherence to grant requirements—reducing errors, administrative risks and burdens.

Competitive grants can fluctuate over time, but we have had significant success postpandemic with the largest grant we have seen supporting our Boulder Highway Reimagined Project that started construction in 2024 in partnership with the Nevada Department of Transportation (NDOT) and the Regional Transportation Commission (RTC). We received a $40 million INFRA [Infrastructure for Rebuilding America] grant and $48 million in other federal funding. This is a transformational investment to the most mature part of our community, a project we have envisioned for nearly 20 years, bringing transportation access to residents who need it most, in our most vulnerable communities.

We remain one of the most efficient city governments with only 6.6 employees per 1,000 residents. We have a lean and well-structured organization that makes the most of the limited resources we have. This takes a partnership directly with our employees and with our unions.

As we look to the near future, we know we face some daunting challenges. Consolidated taxes (CTAX), primarily comprised of sales taxes, are falling below initial budgeted projections. Prepandemic averages were 3 percent to 5 percent growth, but we have projected a minimal—what we thought was conservative—1 percent increase in CTAX for FY 2024-2025. Revenues have come in below our projections for the last six months of reported revenue.

We have seen significant cost increases with the city's Public Employees Retirement System (PERS) contribution. This year PERS contributions will increase from 50 percent to 58.75 percent for public safety and from 33.5 percent to 36.75 percent for nonpublic safety. Increases in PERS

contributions are split with employees, and we anticipate a $6.2 million impact for the city's portion this year.

We are seeing significant increases in our workers' compensation claims and healthcare costs. We hope to come back to talk to you more about workers' compensation claims and the impacts that's having on our budget. As we stated previously, original budget projections were for a 1 percent increase in CTAX, but for the last six months, we have seen CTAX coming in well below that projection. On average, CTAX is running about $390,000 below projections per month with a total deficit of almost $2.4 million just over the last six months.

One area we are watching closely is workers' compensation. Claims and judgment expenses have seen a dramatic increase from $12.4 million in FY 2022-2023 to over $29 million in FY 2023-2024. The increase in claims results from multiple factors, including an increase in overall number of claims submitted heart and lung claims, and post-traumatic stress claims. We want to take care of our employees. Our employees are essential to everything we do and to providing the quality of life to our residents. You have heard me talk about that; but at the same time, we have concerns about the significant increases in expenses and what that means for the future. We look forward to talking to you about that more.

Last year, we adopted a new four-year strategic plan with input from residents, businesses and Henderson's elected leaders. This plan establishes the priorities that guide the decisions we make as a city focused on five strategic priorities. Our budgetary process reflects these as well as the legislative priorities that we will be working with you on this session. As you know, we share the same constituents; were serving the same community. We have an ambitious plan and a track record of success, but our annual budget request for capital improvement, operational and strategic priorities continually outstrip the available resources we have; therefore, we must be strategic and innovative in allocating our finite resources. In fact, we are looking at cost-saving measures and taking a look at things we have historically done that we may not be able to continue to do and may not be part of our core services.

MS. ROMERO:
Over the next few slides, we will share with you some of the accomplishments and challenges we are seeing within these areas.

The city council and leadership have invested significantly to maintain strong police and fire departments. Almost 60 percent of our operating budget is dedicated to keeping our community as one of the safest cities in America.

Police Chief Holly Chadwick has been at the helm for just about two years, and our twelfth fire chief, Scott Vivier, was sworn in in October. We face significant national challenges with recruitment, retention and increase in costs of equipment due to inflation.

Traffic fatalities are up significantly across our State, and we are investing in increased enforcement and roadway improvements, including the reimagined Boulder Highway Project. Emergency calls are also rising. An increase in public safety funding will be necessary to maintain our high quality of service as our community continues to grow. We are only growing at about 1.6 percent to 1.8 percent so its manageable. Unlike past years where we have seen double digit growth, we are focusing on manageable smart growth.

Our fire department is of particular concern. We have been able to make progress in building and renovating some of our fire stations in Henderson. However, with the failed ballot initiative, many of our priorities will have to wait. Some of our fire stations were built long ago and were not equipped for the fire department personnel of today. We do not even have separate sleeping quarters for men and women, bathroom facilities, things like that. It is not conducive to a healthy environment. Despite being ranked as one of the top fire departments in the country, our fire and EMS response times are not hitting our benchmarks and face further strains as our community continues to grow.

Whereas police have two outside revenue sources from sales taxes to help weather downturns, fire does not. We hope that at some point in the future we have the opportunity to work with you on that as well.

MS. GARCIA-VAUSE:
Another national challenge we face is increases in housing prices have outpaced income growth, making housing affordability a critical issue even for Henderson. Henderson's housing supply is currently underserved by approximately 5,800 units and projected to be underserved by more than 65,000 units by the year 2040.

To meet this challenge, we have taken actions to address the housing needs of all residents, including producing the Henderson Housing and Community Development Strategy in 2020 and creating the Housing Advisory Committee in 2023 that brought experts in the housing field from developers, residents, planning commissioners and policymakers to see what types of things we can do to increase the affordable housing supply.

Thanks to the work the Legislature has done with S.B. No. 103 of the 80th Session and other legislation, we have also implemented important updates to the city codes and regulations which serve to increase the supply of affordable housing in Henderson, including providing affordable housing incentives like reducing fees for development and inspections; consideration of expedited plan check for affordable housing developments; reducing parking requirements and increasing allowed building heights for quality affordable housing projects; establishing standards for tiny houses; and council adoption of fee waivers for affordable units.

With one-time stimulus funds, we facilitated affordable residential projects in Henderson, including Sunrise Ranch, which is a partnership with Nevada HAND, which will provide 144 affordable units at the corner of Broadbent Boulevard and Boulder Highway; the Ovation West Henderson family apartment project, which will provide 390 affordable units; Arroyo Grande apartments project with 121 affordable units located on American Pacific Drive across from the Arroyo Grande Sports Complex; and the [Nevada Center for the Blind], which is a partnership with Clark County, Las Vegas, and North Las Vegas, will build 100 permanent supportive units for people who are visually impaired at Visions Park in Las Vegas. With more funding, we could look forward to doing more affordable housing projects like these.

Despite being Nevada's second largest city, the number of individuals experiencing homelessness in Henderson accounts for only about 5 percent of those experiencing homelessness countywide. While we do not have Henderson specific data for previous years, we have been experiencing consistent population growth, which includes individuals experiencing homelessness.

Last year, we created the Henderson Homeless Response Team to outreach to this community and provide them with resources. To date, we have helped more than 500 individuals, placing 80 people into various emergency shelters in just the last six months. We have connected others to housing through

nonprofits and helped hundreds of households facing a loss of housing with rent or utility assistance to remain in their homes. The need is greater than the funding available from year to year due to the rising rent costs, and our one-time COVID funding has since expired. Our COVID funding is what has supported this pilot project.

This pilot will wind down in September unless we can find a funding source to sustain it. Unfortunately, Henderson is not a HUD Emergency Solutions Grant entitlement community despite being the second largest city in Nevada. Entitlement Solutions Grants are designed and given to communities specifically to assist people experiencing homelessness or at risk of being homeless. That is a revenue stream we would like to have, and we continue to work with our congressional delegation to address this issue.

Last year, congress approved $4 million in community project funds for a Henderson Homeless Navigation Center to help connect individuals and families experiencing homelessness to needed services. We are working with HUD to stand up this project and hope to work with Clark County to complement their Campus of Hope model. Part of this is the Navigation Center is an essential piece to identifying and bringing people into the system.

MS. ROMERO:
We are focused on bringing in good-paying jobs to promote economic stability and mobility. Since 2019, we have helped 36 companies move or expand to Henderson, especially to the fast-growing West Henderson area.

Haas Automation has begun vertical construction on their 2.4 million-square-foot facility in West Henderson. They began in fall of 2024 to go vertical, and they expect to have an opening in late 2026. When completed, the facility will employ 1,400 people and invest over $300 million in the region. To support Haas and attract additional advanced manufacturing, the city partnered with the College of Southern Nevada to open the Deborah March Center of Excellence. When fully operational, the Center of Excellence will be able to support and train 500 individuals and students annually for these high-skilled jobs. We have already started graduating some of those students.

We have updated our target industries with a very specific focus for our economic development efforts. We have the only certified economic development program in the State accredited, and we have worked very hard to

specifically target those businesses we would like to come in. We have created a dynamic tool that factors in things like changing technology, changing environment and things like education in the valley to determine what tweaks need to be made to those targets so we can make sure we are targeting the jobs of the future.

Tax incentives from our Governor's Office of Economic Development (GOED) continue to play an important role in the success of many Henderson businesses. Aiming incentives that help attract new, out-of-market businesses at high-impact target industries would allow Henderson and the State to continue to be the community of choice for the types of businesses we seek to attract. We also recognize that small businesses are the backbone of our community.

We have several programs, including a small business start-up grant, and we do perform business visits to our existing businesses to make sure we understand how they are doing and what challenges they are facing so we can address any challenges they have in real time on those visits.

The City of Henderson looks forward to working with GOED, the Legislature, and our regional partners in modernizing Nevada's tax incentive offerings.

Our Henderson residents strongly value education, and our city is actively involved in supporting our local schools. Thanks to the work of the Governor and the Legislature that you did in the last session in enact A.B. No. 400 of the 82nd Session, the city has been approved to become a charter school authorizer to offer more options for Henderson families. We have established the infrastructure to support authorizing work, and we have accepted seven notices of intent to apply with applications due at the end of April 2025. We have also approved design and construction for a second preschool program with an anticipated completion at the end of 2026.

The transformation our city has accomplished in just my lifetime is nothing short of amazing. I believe we have proven ourselves good stewards with the limited resources we have been given, and we humbly ask for your continued support and promise to continue to overdeliver through hard work and continued optimism even in the face of challenges.

MS. GARCIA-VAUSE:
Last summer, the city approved our language access plan as required by A.B. No. 266 of the 82nd Session. Our city clerk is overseeing implementation of the plan as our Language Access Plan Coordinator. Since approval, our Title VI Coordinator and our Human Resources Department have been working to ensure alignment between federal and state requirements. We are forming a working group for stakeholders and working to consolidate translation services in multiple departments to one vendor. We have implemented translated agendas for our planning commission as required by A.B. No. 266 of the 82nd Session and are providing live translation devices for essential services that interact with individuals with limited English proficiency.

MS. ROURKE:
Here is just a brief overview of the two bills we are bringing. The first is Assembly Bill 10.

ASSEMBLY BILL 10: Revises provisions relating to local improvement projects. (BDR 22-407)

This seeks to expand projects eligible for neighborhood improvement districts for the repair of private water or sewer facilities in common-interest communities.

Senate Bill 72, which starts off in this committee, is a charter modernization bill and seeks to put into place recommendations made by our Henderson Charter Committee.

SENATE BILL 72: Revises the Charter of the City of Henderson. (BDR S-408)

Those changes include making optional our committee meeting, changing the timeline for a special election should the council choose to do that upon a vacancy and making a change to the sale of real property that we discovered recently while working with Nevada State University.

SENATOR ELLISON:
If you look at the chart on page 12, Exhibit D, and look at your projected area, it looks like that is bound to come up between the end of 2024 and going into 2025. Are you projecting your CTAX is going to go up quite a bit, or are you going to break even? Where are you going to be? Or are you down?

MS. GARCIA-VAUSE:
We are not necessarily projecting it to go up and see the big turnaround. We continue to monitor this closely. It is something we are looking at monthly. We are sharing the information with our employees and our community. We have the information for our employees to see regularly. We are not necessarily planning on this to go up.

SENATOR ELLISON:
The other one was on slide 13, Exhibit D, and was workers' compensation. That was a large increase from 2023 to 2024. Is that because of the insurance debts?

MS. GARCIA-VAUSE:
That is primarily because of the claims coming in. We have seen an increase in the number of claims. That is an alarming number to us as well. That is why we want to sit down and look at that because we did not expect this kind of a jump from one year to the next. We are anticipating what future years will look like.

SENATOR ELLISON:
I thought that's a major increase, but a lot of the cities are facing right now the increase in the insurance costs on top of that, and that has been taken up over the top. Have you seen that?

MS. GARCIA-VAUSE:
That is one of the things that has also is increased the cost of health care and our ability to provide that cost. We are a self-funded agency for health care, and we are doing all we can to keep those premiums low for our employee and to provide the best health care because we know a healthy employee is going to have less injuries. Our employees are central to everything we do, and that is our focus.

SENATOR NEAL:
On slide 9, Exhibit D, is your grant funding growth. I am trying to get an understanding on how to read that. You have your general grant funding and then you have COVID recovery. In 2024 and 2025 it is blue. Does that mean there is no more COVID money?

MS. GARCIA-VAUSE:
Our COVID funds are allocated and being expended. That is why you do not see them. Those jumps are likely because the grants are associated with the Boulder Highway Reimagined Project. We have two significant ones. I can tell you in terms of our regular federal grant funding, we receive about $3.8 million a year in recurring guaranteed federal grant funding for now.

SENATOR NEAL:
Slide 12, Exhibit D, is your consolidated projected and CTAX actual. It looks like for the first four months of FY 2024-2025 you received roughly $55,000,246 from CTAX which was roughly $13.811 million a month, which would give you a decrease of $907,000, roughly 1.6 percent. But if we looked at the average, it looked like you were getting over, about the first four months of 2024, about $14 million. If the decrease is 1.6 percent over the first four months of FY 2024-2025 and the average first four months of FY 2023-2024 was $14.038 million, then the prior year had a bump of roughly $200,000 a month. Can we talk about the difference? If the difference from 2024 to 2025 for the first four months of 2024, the first four months of 2025, there is a $200,000 difference per month. What does that mean? How is that translated into a loss of service? Talk to me about the impact of that because that is de minimis.

MS. GARCIA-VAUSE:
It may seem like that, but we run a very tight budget. As you see, we have the lowest number of employee ratio per 1,000 residents. We also have a low tax rate. Our numbers show about $390,000 per month below what we projected. We projected a slower revenue, so that blue line on slide 12, Exhibit D, was what we were projecting for this fiscal actual numbers, and we were only projecting a 2 to 3 percent growth. Our projections are coming in … we were projecting a 1 percent. Our prepandemic numbers were 2 percent to 3 percent. We were only projecting a 1 percent, and the projections have been declining. At the same time, you can imagine with inflation, everything is more expensive—the cost of our employees, contracts we have bargained, step increases. Even though it does not seem like a lot, the amount of money that we know we are going to owe just because of existing numbers and using the PERS example, we are not meeting those projections.

SENATOR NEAL:
I was trying to compare. You had your growth on the front sheet of roughly 345,000? Then in 2019, you were around 321,000. You had a growth of roughly 24,000 people in the past five years. Your budget in 2019 was $200,000. This was your revenue at 321,000 folks, which I am acquainted that to services et cetera, you had $269.9 million in your revenue. Five years later, you have an increase of 24,000 residents. Now your revenue is $388 million. You are saying you have expenditures of $392 million?

There are two parts to this question, a significant jump in revenue over the five years, and what I need to understand is that how much of that $269 million was preCOVID, $388 [million]. How much of that COVID ARPA [American Rescue Plan Act]?

MS. GARCIA-VAUSE:
I would have to go back and get you those numbers to answer the question as to how much of that was COVID.

SENATOR NEAL:
In 2019, your property tax rate was 0.71 and it is 0.77 now. What is that, a 6-cent increase in the property tax? What's the 6-cents increase, what is the dollar amount?

MS. GARCIA-VAUSE:
I can tell you that even when we increase our property taxes because of property tax caps, it takes us a number of years to realize the increase. I can get you that information exactly.

SENATOR NEAL:
The final question is on the workers' comp healthcare cost. What is the significant increase that is hitting your budget? Because workers' comp means there are higher incidences at work. Do you have a sicker employment population? What is happening?

MS. GARCIA-VAUSE:
There are a number of factors to that. We see our aging population of employees who are eligible for workers' comp with claims like heart and lung. We have seen an expansion in the laws that allow more things to be claimed with workers' comp. We are seeing an increase in the sheer number of claims,

and we would like to come back and sit down with you and talk to you more specifically about the entire gamut of what is going into that, what it looks like and the presumptive benefits.

SENATOR NEAL:
I am interested because we had that PERS conversation this morning, and when I was having this conversation with Senator Titus, we were saying although folks were living longer, they were living longer but not necessarily healthier. You use the word dramatic increases. I wanted to dig into that a little bit more to understand what is happening in that space because your expenditures are exceeding your revenue, and heart and lung goes to your fire and police. There are a lot of multiple pieces when you see the property tax increase; the CTAX is holding its own because you are at 45 [percent]. Five years ago, you were at like 44.8, and then you are having these small nuances. I am really trying to understand true costs and where they are coming from because the slides say a lot but there is no depth.

CHAIR FLORES:
We will close the presentation on City of Henderson and open the presentation for City of Reno (Exhibit E contains copyrighted material. Original is available upon request from the Research Library.).

NIC CICCONE (Government Affairs Manager, City of Reno):
I have the honor to introduce Vice Mayor Kathleen Taylor, as well as City Manager Jackie Bryant.

KATHLEEN TAYLOR (Vice Mayor, Council Member Ward 1, City of Reno):
We are excited to be here this afternoon and share with you about the Biggest Little City, Reno, Nevada. We are the fourth largest city in Nevada, and it is my home. Our city manager is going to get into some of the details that are not in common with all the other jurisdictions, but I am going to talk about some highlights you might not hear from some of the other cities. The first thing is we are home to the Truckee River going right through our downtown, and we have had significant efforts and achievements in the last couple of years in that space.

We also have undertaken some historic projects. One is the Moana Community Aquatic and Fitness Center, the Moana Pool Center. It is the first new pool we have opened in the last 30 years. We also opened our Public Safety Center,

which is a state-of-the-art new safety center. This council has prioritized housing and affordability, allocating millions of dollars in regional rental assistance and prioritizing direct dollars in incentives and affordable housing developments. I am very proud of our council's commitment to working with other jurisdictions and partner agencies. We have maintained great relationships within our region, and our most recent accomplishment is the addition of our new city manager, Ms. Jackie Bryant.

JACKIE BRYANT (City Manager, City of Reno):
In 2024 the Reno City Council changed from five wards to six, each represented by one council member and the mayor. We are a council-manager form of government where the council establishes policy, and the city manager is responsible for the day-to-day operations. The council meets at least twice a month on Wednesdays at 10 a.m. and we accept public comment in person, via email or via Zoom. The council has seven strategic priorities for the 2020 through 2025 period. These priorities are the backbone of staff recommendations and council decisions. We are embarking on an updated strategic plan this year. By this time next year, we will have an updated plan.

Reno is a vibrant, diverse and growing city. With 54 percent of the Washoe County population in the City of Reno, Reno is the fourth-largest city in Nevada and the eightieth-largest city in the United States.

Growth brings increased jobs, innovation and new cultural experiences. Rapid growth creates challenges such as keeping up with the demand for roads, housing and services.

The chart in Exhibit E, represents the FY 2024-2025 general fund adopted budget. The three-largest sources of revenue for the city's general fund are CTAX, property taxes and franchise fees, in that order. The CTAX is not only the largest contributor, but it is the most volatile revenue. For this fiscal year, we budgeted a 4 percent increase in CTAX over last year based on projections at the time the budget was built. We are currently at zero percent growth. This equates to an approximate $4 million deficit fiscal year to date. Property taxes are a more stable funding source but are limited by statutory caps and depreciation. A quarter of all real property in Reno is fully depreciated. Franchise fees make up 14 percent of the general fund revenues. These revenues are currently down approximately 12 percent from the budgeted amount.

Telephone and cable franchise fees are shrinking due to customers switching to mobile phones and streaming television services, and consumers who are pinched by housing and grocery costs are choosing to save money by adjusting thermostats which affects gas and electric fees.

You can tell what is important to someone by how they spend their time and money. Reno prioritizes public safety. The city's adopted fiscal year general fund budget is $354 million, including the ending fund balance. Approximately 75 percent, which is $235 million, is for salaries and benefits. Approximately 60 percent of the total general fund pays for the public safety departments of police, fire and dispatch. This includes personnel and operating costs for public safety, but it does not include the associated costs of the Information Technology, Human Resources, Civil Service and Finance Departments which are necessary to support our public safety personnel.

The City of Reno has a history of sharing information across multiple platforms and in multiple languages. In 2017, Reno implemented bilingual communications on all its social media platforms and in press releases and allowed for language translation on its website. In 2024, Reno adopted the Language Access Plan pursuant to A.B. No. 266 of the 82nd Session. We have expanded access for those who need assistance hearing or communicating through the Listen EVERYWHERE and Ubi Duo devices. In addition to our bilingual employees, we use language banks for languages when necessary.

The City of Reno spends approximately $7 million annually on homeless-related issues. In addition to the general cleaning and enforcement costs, Reno has invested funds in a variety of innovative initiatives to assist unhoused individuals. The Rapid Rehousing Program was funded in July 2024. Via a partnership with Volunteers of America (VOA) and Reno Housing Authority, we are moving people directly from the streets to The Village on Sage Street, which is a transitional housing program. There individuals receive wraparound services and are supported in a move to a permanent location once a VOA housing voucher is available. We have moved ten people from the streets since this program began.

The Highway 40 Motel rehabilitation will be operatable by the end of this year. Through a partnership with Northern Nevada Adult Mental Health Services, VOA and the court system, we will divert people from the court system into housing with wraparound services. They will be able to live there for up to two years

with no charge. I am incredibly proud of the council's support of these programs and the commitment to ensuring people receive the help they need while keeping our city clean and safe for all to enjoy.

Growth has its challenges, and one of them is keeping up with the need for housing. Reno has waived $11.3 million in sewer connection fees and has donated $8.85 million in ARPA funding to support affordable and workforce housing. The Legislature has helped Reno to support those who are struggling financially by allocating funding for deposit and rental assistance. Reno's Rental Assistance Program is for people living throughout Washoe County. We assist individuals in Reno, Sparks and unincorporated Washoe County. The State's Home Means Nevada program has also been invaluable in helping Reno develop affordable housing complexes like Pinyon Apartments, Dick Scott Manor, Silver Sage and Essex Manor. Reno has been and will continue to be committed to increasing affordable housing. As of today, 87 percent of all affordable housing units in Washoe County are in Reno, whereas Reno has 54 percent of the total population.

Our challenges are the same as those of the other jurisdictions. Revenues are declining while labor costs are increasing. Add to that the number of people who are moving to Reno at record rates, and it is difficult to keep up with the growth. It is one we are constantly looking at and always looking for innovative solutions.

Vice Mayor Taylor opened with some of the things we have recently celebrated in Reno. The pictures on the right [slide 11] show the new Public Safety Center and the new Moana Springs Pool. The picture on the left is from the ribbon cutting for Dick Scott Manor, a brand-new affordable housing development for veterans. The advanced purified water system is progressing nicely as well as the plans to revitalize Virginia Street and the Truckee River Pass. Many wonderful things are happening in Reno, and we would welcome an opportunity to show them to you.

SENATOR NEAL:
I was looking at the salary and benefits. Your salary and benefits have grown significantly. I want you to explain that. In salaries and wages, prepandemic, you had roughly $99 million in salary and wages. In your employee benefits, it was about $57 million, roughly $142 million. You have $234 million in salary and benefits. Are some of those ARPA positions? I know there has been an

increase in living costs and houses skyrocketed with the average about $500,000.

MS. BRYANT:
Approximately $615,000 last I heard.

SENATOR NEAL:
The increase, is any of that any COVID positions being paid, with any salaries being paid with COVID money, ARPA money?

MS. BRYANT:
Yes. Only one position. There are two positions that are ARPA-funded. One is for a senior citizens' support person. Although cities are not typically in that lane, we saw a need for enhancing accessibility for our seniors, particularly coming out of COVID because so many of them have developed a more insular lifestyle, and we wanted to create some opportunities for them to come into the environment and the community that appreciates them so much. That has been a very successful venture. The main reason we have the increases you are referencing is we added a significant number of police and fire over the last four years. I can get you the actual numbers. I do not have those right now, and I would hate to try and guess, but that is where the predominant increase came from. We had not, in Reno, recovered and still have not recovered from the Great Recession as far as the staffing goes. We are still below the staffing levels that were then, but we are much better today than we were 4 years ago.

SENATOR NEAL:
Prior CTAX revenue, your 2019 you were at roughly $67,218,998, so it was about 36 percent. But then your CTAX here, this is revenue, you have $102 million. Should I be looking at the thinner presentation? Because if you were at $67 million in 2019 and it was 36 percent of your budget, it is 33 percent of your budget now, but it is at $102 million. You have doubled your CTAX in five years. Are we saying what similar presentations were—trending down in the first four months?

MS. BRYANT:
A couple of things are happening. We updated the presentation because some of the numbers on the first deck we sent to you were not correct. You are looking at the deck that we supplied today. We are trending down. We are down approximately 4 percent over last year. The State Economic Forum has

confirmed that we are at zero percent growth. So is everyone else, and they have also projected only 2 percent growth for next fiscal year and 2.7 percent after that. In addition, the revenues, we have only received half of our revenues for October. We have $37 million in revenues in the first CTAX fiscal year to date right now.

SENATOR NEAL:
I know there have been issues with local governments receiving payments on the controller side, and then we have the connection between the Department of Taxation being able to collect a certain amount of revenue because of the upgrades that are happening in the CORE.NV system.

MS. BRYANT:
That is correct. I am not sure exactly where the hiccup is, but there was a software upgrade, and we are likely to receive half of our revenues for this month and will receive half in February, and sometime between February and March, we will shore it up.

SENATOR NEAL:
In April you will have a better number because you will have gotten your drops in the bucket. I want to be able to see that comparison, so once you fully get what you are supposed to get, when the systems are done, I think that is going to be helpful because we are really not digging into that. It looks like you are growing. But your expenditures are growing too. It is the balancing act between what is happening and what is occurring.

MS. BRYANT:
For July, August, September and October, we received what was supposed to be the full amount of CTAX allocation, and those four months were roughly 4 percent under projected budget. The amount we received for November was half, we think, of what we will be receiving. We have not yet received any amount for December.

SENATOR NEAL:
This is super helpful because we did not really get a chance to dig into that in other spaces. I would love to see that follow-up and want to follow up with you once you get the full payments from Christmas so we could really see what you are trending. It is a note for the Revenue Committee—like be prepared for the trending, the CORE.NV and lapses.

SENATOR ROGICH:
With population growth have you experienced monetary impact in your school district?

MS. BRYANT:
They have a dedicated sales tax that assists with building new schools, and we are fortunate enough that the students in the Washoe County School District will benefit from some fabulous new schools in the near future. I think on the operation side, they would say they are continuing to struggle to keep up with the cost of inflation and housing in the region and to keep up with their teachers' salaries.

SENATOR ELLISON:
Many years ago, we worked on a project for increasing the room tax in Reno. That was going to look at also not only paying for debt but also expansion of the facility. Is that still in the works? Where are we on this at the Convention Center beside that the Atlantis was going to expand or move? Is that in the …

MS. BRYANT:
That is something we are having conversations about, but there is no set status at this moment.

SENATOR ELLISON:
Chair and I both worked on that project and that increased the room tax to help pay for that.

MS. BRYANT:
Yes, that did, and the room tax has been declining over the last several years so that has presented some other challenges. We are actively working with our partner, the RSCVA [Reno-Sparks Convention & Visitors Authority], to enhance room visits in the region.

There have been some challenges recently, but we are hopeful that through our redevelopment agency and the growth that that is experiencing, that will be able to invest in the downtown core a little bit more to kind of help support some of the rehabilitation you are referencing.

MR. CICCONE:
I wanted to address there is also an additional $2 surcharge on room nights in the downtown area that pays for capital improvements, which you might be referring to. Part of the issue is the $2 surcharge has not increased as other costs increase for infrastructure in the downtown area.

CHAIR FLORES:
I do remember that, Senator Ellison, back in 2015, and the conversation spilled over to 2017.

SENATOR OHRENSCHALL:
You touched on the community courts for the homeless, and I wonder if you could tell us what is the success rate in terms of people who go through the community courts in terms of not picking up new charges and ending up on the streets?

MS. BRYANT:
I am incredibly proud of our Community Court program. What it is, for those of you who may not know or for the public, is it is a program where individuals have committed an offense of a very minor sort, they might be cited to community court, and that court meets on Wednesday mornings, and those individuals are met with opportunities to enroll in Medicaid, SNAP [Supplemental Nutrition Assistance Program] and get housing—the whole gamut of services is available to them. Then they are met by a judge whose only goal is to help that individual move into more stable housing. I do not know the actual rate of those individuals who do not recidivate. I do know it is better than those who do not go into the program. I will get you the actual numbers. It is something held by the Reno Municipal Court by the Municipal Court Judge. It has become a central location for services, and individuals who are not cited may go there. We go there to establish Department of Motor Vehicles records. We really do anything we can do in that location.

CHAIR FLORES:
I will close the presentation by the City of Reno and open the presentation by the City of Boulder City (Exhibit F contains copyrighted material. Original is available upon request from the Research Library.).

JOE HARDY (Mayor, Boulder City):
I appreciate the public service that you rendered, and you still render, and it is a warm, fuzzy feeling to be here. I represent Boulder City now as the mayor. It is a privilege to be able to continue to serve in public service. Brittany Walker is our city attorney, and she has arranged a wonderful presentation.

We moved to Boulder City about 42 years ago. My last two children were born there. I have three children born in Reno. I graduated from Sparks High School and went to UNR [University of Nevada, Reno], and then to medical school for the first two years at Nevada, which they used to call UNR, and I have a huge investment in Nevada. My mother was raised in Sparks, and it is a great feeling to be a Nevadan and to be part of that in Boulder City.

We in Boulder City are unique in a lot of unusual ways. We think small, we have a growth ordinance that keeps us small, and we have chosen to do that as a populace. We think in small words like the dam, the lake, the railroad and the school crossing guards. I was in the barbershop the other day and I talked with somebody. He said, "You are the mayor." I said, "Yes." He said, "You know what you did? You recognized the school crossing guards and let us go first at the city dinner for the employees. We have never been recognized as first." I think of all the things we have in Boulder City that our city attorney will show us, it comes down to the people and who we are.

The city of Boulder City bought $1.2 million worth of land in El Dorado Valley. Since then, we have allowed that place to have an economic boom for all of Las Vegas where you have a place to put tortoises. It allows people to grow, build and have wildlife preserved. We gave the land to Interstate-11 (I-11) when it came about. We are participating members in the greater Las Vegas area and appreciate the service we get to do together with the other municipalities. I appreciated the conversations that have already happened.

BRITTANY WALKER (City Attorney, Boulder City):
I would like to share with you a little more about our community and educate you on why we are a unique and integral piece of Nevada. Boulder City is historically significant to the development of our State. The Boulder Canyon Project Act, authorizing the construction of Hoover Dam, was signed by President Calvin Coolidge in 1928, just as the Great Depression was beginning. Construction was set to start in 1931, and 5,000 families came to work on the project. Boulder City was built to house the workers. The Bureau of Reclamation

held title to the land, and the federal government essentially owned Boulder City. Construction was complete in 1936, two years ahead of schedule, and in 1958 the land was transferred from the federal government. The city incorporated in 1960. At that time, Boulder City was about 33 square miles, one-sixth of the size it is today. Some of the things that make us unique compared to the rest of Nevada is we have various initiatives, past charters and city ordinances that set us apart. Since it is an incorporation, Boulder City has not allowed gaming. We are one of two districts in Nevada that prohibit gaming.

In 1979, the voters passed an initiative petition for growth control which limits the city to 120 residences a year and 30 per development. This has kept our growth limited and even negative during the past 40 years. While Boulder City acquired 167 square miles of federal land in 1995, the voters restricted how that land can be used. Land sales of larger than an acre must go to the voters for approval.

We also have a limit on our city debt obligation. Anything over $1 million has to be approved by the voters. This effectively makes us a pay-as-you-go city, which has presented challenges but in a large part has helped us.

A bit about our City Council: You have our Mayor, Joe Hardy. We also have four council members elected at large: Mayor Pro Tempore Sherri Jorgensen, Councilwoman Cokie Booth, Councilwoman Denise Ashurst and Councilman Steve Walton.

Right now, we have an acting city manager. Our new city manager was selected and will be starting later this year. Tami McKay is our City Clerk. I have been the City Attorney for the past four years, and Victor Miller is our Interim Municipal Judge.

Boulder City prides itself on being a regional partner playing a key role in the economic development of Southern Nevada. With the purchase of the Eldorado Valley, we set aside the sizable portion of this land: 86,000 acres out of 100,000 in Clark County for tortoise conservation. This allowed the valley to receive our incidental take permit so the valley could continue to grow. We donated 780 acres of land to the State of Nevada for the I-11, which helps in the rapid movement of ground transportation of people, goods and services, and contributes to the strengthening of Southern Nevada's economy.

Whether it was Boulder City's agreement to a 99-year lease to Nevada to help with the building of the Southern Nevada Railroad Museum or partnering with the park service to provide life safety support for Lake Mead National Recreation Area, Boulder City is a strong partner with other government agencies to provide regional benefits to residents and tourists.

We recently revamped our strategic plan. We rely on our strategic plan to ensure we are making progress in achieving our goals and our mission for our community. Our goals are set forth here in the slide, Exhibit F: maintain high-quality recreation and tourism offerings; continue achieving prudent financial stewardship; maintain community character through our growth control ordinance; continue promoting historic preservation; maintain dependable, reliable infrastructure; improve public health and accessibility; and continue to maintain high levels of public safety.

We also value transparency in government. We have a public records portal available on our website that has most of our public records available to the public to search at their leisure. You do not have to make a public records request with us. You can actually go on and pull most of our records yourself. We are always happy to assist in that, but we do like to make as much available as we can.

We also recently implemented a program called SOCRATA, which is a finance tool that allows for open data in our government. You can go on our website and essentially it is an open checkbook. You can see any check the city has written to any vendor and see what the government is spending money on.

We have our budgets; $48 million is our general fund, our enterprise funds. All of that is available on our website—our spending and payroll, top vendors.

Like most governments presenting today, we do rely heavily on CTAX. It is a third of our revenue. We also have been able to diversify our income through rents and royalties. The parts of the Eldorado Valley that we did not set aside for conservation we have leased out largely to solar developers, and that brings in revenues that account for about a third of our budget.

We do seek federal grants. We have been awarded or have submitted for about $11 million in federal grants this year. We received $1.5 million for our air traffic control tower for our airport, which will help improve our safety. We have

received $40,000 in Community Development Block Grant funding that goes to support our local nonprofits. We received $2 million for a Dark Skies grant that will help replace our public light fixtures so we can achieve a Dark Skies designation and have the Dark Skies tourism industry. We also received $100,000 for water smart meters, which we are currently updating, and we are seeking $4.6 million for electrical vehicle charging infrastructure and $580,000 for FEMA assistance to firefighters.

Among our expenditures we have 17 parks and 2 municipal golf courses. Culture and recreation are a large part of our budget at 18 percent. Public works accounts for about 20 percent. Like most local governments, public safety is a very large portion of our budget. General fund is at 40 percent. We have general government, judicial and community support.

We have 224 full-time equivalent employees for our ten departments which includes a police department, fire department and an airport. Many of the buildings we were given in 1960 are still in use today. While historic in value, we have several challenges to our facilities. We have accessibility issues in some buildings such as City Hall, which was built in 1931. Our police department has walls of poured concrete, making it difficult to renovate.

Because of limited staffing, our staff does multiple jobs. Our utility building supervisor is also our director of business licenses. We have eight collective bargaining units total.

We are proud to report that we do have the lowest crime rate in the State. We have 39 sworn officers and have not faced the challenges other communities have faced with recruiting and retention thus far.

Part of the questions we were asked to address today was whether we intend to assist the federal immigration efforts. I would like to share a quote from our police chief, Tim Shea: "Our job is to protect the public. We follow state law and have no authority to enforce federal law. We will not arrest someone solely because they are undocumented."

Our fire department responds to 2,600 calls annually; 87 percent of those are EMS. We are proud to report we are the fourth nationally accredited fire department in the State. We received that in March 2023, and we partnered with our business community to implement an AED/CPR program where we

placed AED defibrillators in businesses and train staff on how to use them in the event of emergency.

Our fire department has also been active in reaching out to the unhoused. For those experiencing homelessness, we began a partnership with Boulder City Hospital. They have a community resource liaison that is partially funded by the city, and they conduct weekly community outreach. They go out and contact the individuals experiencing homelessness. Over the last two years, there have been over 150 contacts resulting in 80 referrals for assistance.

We have two elementary schools. We are in the Clark County School District. We have a junior high school and our Boulder City High School.

While our city holds small old-fashioned charm, it is important to note that our residents skew older. Our census data gives us a good look at our population. Our 15,000 residents are compared to Clark County's 2.3 million. Our median age is 51.1 years whereas Clark County is 37.5 years. A third of our residents are over 65, and less than half of our adults are in the workforce. Veterans are at 10.8 percent of our residents. Boulder City is home to one of two state veterans' homes and the state veteran's cemetery in Southern Nevada.

Because more than a third of our residents live on fixed incomes, agencies like Emergency Aid of Boulder City lend a hand at our senior center all asked the city for support from eligible ARPA [American Rescue Plan Act] funds due to an increased need in past years. The need for assistance with utility bills and rent has increased substantially. Our fire department has also seen more calls for service.

Another thing that sets Boulder City apart is we own and operate our own electrical distribution system and provide our residents with electricity. Unlike our neighbors who utilize NV Energy, we are a not-for-profit, government-owned utility, and our utility is subject to the Boulder City Council. Boulder City Council sets the rates. We are not governed by the Nevada Public Utilities Commission. We do not own or operate any generation resources, but we obtain all our needs from existing power purchase agreements in the open market. We are a leader in clean energy, getting most of our power from hydropower and 5 megawatts a year from solar. We employ 12 people in our electric division. When the power goes out, even on nights, weekends or holidays, our crews respond.

A lot of the land we have in the Eldorado Valley has been leased to solar energy developers. This [slide 21, Exhibit F] is a picture of those companies, the acreage that has been leased and of the megawatts they produce. We only purchase 5 megawatts of that, NV Energy does purchase some, and a lot of California utilities also purchase from these developers.

We have tourism draws that contribute to our state economy with the Southern Nevada Railroad Museum, Hoover Dam and Lake Mead National Recreation Area, which sees more than 5 million visitors a year. Boulder City, jointly with Henderson, was recently designated by the National Park Service as a World War II American Heritage City.

We are home of the Ram Cam. Hemenway Park in Boulder City is a special place where anyone can go and see our bighorn sheep. They have come naturally for many years, and they graze on our grass in the park. We were getting a lot of calls from the public saying, "When are the sheep planning to come to the park?" We did not have their schedule. We did not know when they would come. We decided to install a camera so visitors could see ahead of time if they are there or not.

Boulder City will be getting an Adventure Center. The U.S. Commerce Department awarded a grant to our local Chamber of Commerce. This will be at the State Welcome Center and allow tourism companies to develop operations at a centralized location. Visitors can schedule various activities like kayaking, Hoover Dam tour or we are hoping to bring back zip lining in Bootleg Canyon soon. All these companies will be housed in this one location where visitors can come and book all their adventures.

To highlight a few major projects completed, we completed Railroad Museum Road. The State will be building the visitor center there. We are very supportive of that state-funded project, and I want that to continue. We also recently installed a new welcome sign. As you come into our community, you will see the "Home of the Boulder City Eagles" sign celebrating our high school Eagles with 135 state championships.

The city does provide all election materials in English, Spanish and Tagalog and offers public safety employees bilingual incentives. Our website is translatable and ADA accessible. We recently installed a hearing loop in our council chambers so those with hearing impairments can receive feed directly into their

hearing aids to participate in our meetings. We offer closed captioning on all our public meeting recordings.

CHAIR FLORES:
I think, Ms. Walker, you are the only city attorney we have ever had in this committee who said you are always happy to help with public record requests. I do not think any other jurisdiction has ever said that because we know that they are never easy to fulfill.

MS. WALKER:
We have our challenges. I think most local governments in the State are committed to public transparency and as are we.

SENATOR KRASNER:
As for the growth control ordinance, most cities want people to move to their city. Most states want people to move to their state. I'm a bit curious as to how do you keep people out?

MS. WALKER:
We have opened doors to anybody who wants to come to Boulder City, but we do have a limited housing inventory, and it can be challenging. Our growth ordinance was passed by our voters in 1979, and for the process a developer would go through—or anyone interested in building a residence there—we have an allotment committee. They would apply for the allotment and the allotment committee would meet and determine how many allotments to give them. We have not come close in recent years to the 120 number. We are limited to 30 per development. We have done some larger developments. It has been a bit of a challenge for developers. A lot of times they will apply for 30 in June, and the year starts over in July, so they will get the next 30 in July so they can build 60 that year. It is very supported by our residents, and it has worked.

SENATOR KRASNER:
I am trying to understand, you limit the building and construction industry's ability to build houses, and then you do not allow a complete industry, the gaming industry, to come in and build a facility … [unintelligible statement] …

MS. WALKER:
We do limit how many residences can be constructed. Without the allotment, the residents would not get approved for a building permit to construct the

home. We do have exceptions. There are exceptions for owner-builders; there are exceptions for affordable housing for low-income and seniors. Yes, we do limit the builders that can build and how many per year.
To answer your question about gaming, we have prohibited gaming since we were founded by the federal government. There used to be two gates on either side of Boulder City, and there was no gaming, alcohol or prostitution allowed within those gates. Then prohibition ended, and Boulder City did end up lifting the liquor restriction, but we have never allowed gaming in our boundaries.

SENATOR KRASNER:
If more than the number of people want houses and you have an allotment, how do you choose who gets to move there and who does not?

MS. WALKER:
We don't choose who gets to move anywhere. We limit who can build a home. Anyone can move to Boulder City anytime they want and purchase a home or rent a home, but if they want to build a new home, then they must go through the allotment process, and the allotment committee ranks and evaluates the applications. We have not had a situation where there has been so much competition that we were not able to accommodate all the builders who wished to build at a time, that I am aware of. At least in recent history it has worked, but the allotment committee is given that authority. The allotment committee chooses—if that were a situation—who would get allotments.

SENATOR KRASNER:
Multiple cities have given presentations today; I am looking at the one that Las Vegas gave. They talk about their demographics: White, 40 percent; Hispanic, 33 percent; African American, 12 percent; Asian, 7 percent; other, 6.9 percent. You do not include your demographics. What is the makeup of your city?

MS. WALKER:
Our makeup is about 86 percent Caucasian. We have between 7 percent and 8 percent Latino-Hispanic, African Americans a little less than 2 percent, and Asians a little less than 2 percent. We are primarily made up of Caucasian.

MAYOR HARDY:
We believe in helping people. We have Saint Jude's Ranch for Children, which are a vital part of our basketball team, our football team, our school, et cetera. Just recently, we dedicated the Saint Jude's Ranch for Children's Healing

Center for people who are victims of sex trafficking. A vital part of our community is looking for people that we can help. There are no limits on who can live in Boulder City, who can build in Boulder City, except the number of homes. We have never reached that limit. You must buy a piece of land to build on something, but the limitation is just who can build.

SENATOR ELLISON:
Based on the geographics of the town and the city, you have got a control tower going in. Do you have that many flights going in there?

MS. WALKER:
Yes. We do have a significant amount. We do not have any commercial flights. I forgot the level tier airport we are, but we have general aviation, so we have private aircraft owners who fly in and out. We do have some commercial tourism fixed-base operators that operate helicopter tours and things of that nature. We do qualify for the level of traffic, and when you are not a controlled airport, the pilots essentially are communicating with each other to determine when to land and take off. There have been some close calls, so having a control tower would really improve the safety and operations at the airport.

SENATOR ELLISON:
If you have that much traffic, you probably do need it. The last thing you said under the police department, it says you have very low crime, but you say you do not allow any kind of federal arrest in there. But you receive federal funding. Does that create a problem?

MS. WALKER:
No peace officer in the State is authorized to enforce federal law. We enforce state law. All police officers in our State do so. If a person is violating the law, we will take appropriate action, arrest if necessary, if it calls for that. There was a question from the chair on whether our police department would assist immigration with federal enforcement. We follow state law, so we will do what the State Legislature tells us to do. That is where our authority is. We would not arrest someone for being undocumented. If there was a crime committed, that is a different story just for that sole reason.

SENATOR ELLISON:
The only reason it stuck in my mind is if you have a lot of illegal trafficking going through with trucks, drugs and stuff like this, and a lot of that is federal

law. That is good to get on the record. If there is a federal law broke, it is good to know they will still be arrested.

MS. WALKER:
Yes. If it is a federal jurisdiction, if we pull over and there is a large enough narcotics situation and crossing state line situation, we bring in the appropriate federal agency, the Drug Enforcement Authority, or we work with the federal government in that circumstance. We have seized a large amount of narcotics given our proximity to I-11. Our police department does, on a regular basis, made some large narcotic seizures.

SENATOR NEAL:
I was reading your projected budget for 2026 through 2030. It was showing that you have a 1.3 percent drop in your property tax due to , it looks like, houses aging out. In your limited growth, how do you plan on dealing with your aged-out properties and then your limited growth on top of that? It is affecting your property tax revenue. Is there a strategy? Do you have a conversation and say, "It looks like a property tax is dropping because houses are 50 years old and no longer going to be assessed. We need to replace this value with a new home. "

MS. WALKER:
I have not been in those direct conversations. Those are more finance related. That is a great observation, and I will pose that question to our finance staff and bring it back. We have been somewhat insulated from the decreased revenues and traditional government tax revenue sources because of our solar leasing. We have been able to insulate ourselves from those fluctuations a little bit, but that revenue does not grow very high either. Those increases are about 1 percent per year.

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CHAIR FLORES:
We appreciate you all being here, and we look forward to working with you as well throughout session. Please reach out if we can help you with anything and I know you will get back to Senator Neal with those questions. We will close the presentation from Boulder City. Last on the agenda we have Public Comment. Hearing none and having nothing further to come before the Senate Committee on Government Affairs, we are adjourned at 5:47 p.m.

RESPECTFULLY SUBMITTED:

_____
Diane Rea,
Committee Secretary

APPROVED BY:

_____
Senator Edgar Flores, Chair

DATE:_____

EXHIBIT SUMMARY				
Bill	**Exhibit Letter**	**Introduced on Minute Report Page No.**	**Witness / Entity**	**Description**
	A	1		Agenda
	B	1		Attendance Roster
	C	2	Sabra Newby / The City of Las Vegas	Presentation
	D	12	Stephanie Garcia-Vause / The City of Henderson	Presentation
	E	25	Jackie Bryant / The City of Reno	Presentation
	F	32	Brittany Walker / Boulder City	Presentation