

ASSEMBLY BILL NO. 445—COMMITTEE
ON GOVERNMENT AFFAIRS

MARCH 23, 2015

Referred to Committee on Government Affairs

SUMMARY—Makes various changes relating to redevelopment.
(BDR 22-1100)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: No.

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

AN ACT relating to redevelopment; requiring a portion of the revenues from taxes imposed on property in certain redevelopment areas to be set aside and used for public educational facilities; revising provisions relating to the extension of certain redevelopment plans; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Under existing law, a redevelopment plan, and any amendments to the plan,
2 adopted by the redevelopment agency of a city or county on or after January 1,
3 1991, terminates not later than 30 years after the date on which the original
4 redevelopment plan was adopted. (NRS 279.439) **Section 3** of this bill extends to a
5 maximum of 45 years the date of termination of a redevelopment plan, and any
6 amendments to the plan, adopted by a city whose population is 250,000 or more but
7 less than 500,000 (currently the City of Henderson) if the city council adopts the
8 extension of the plan by ordinance. If such an ordinance is adopted, **section 1** of
9 this bill requires that 18 percent of the revenues received on or after the effective
10 date of the ordinance be set aside to improve and preserve existing public
11 educational facilities which are located within the redevelopment area or which
12 serve pupils who reside within the redevelopment area. **Section 1** also provides that
13 the obligation to set aside such revenues is subordinate to any existing obligations
14 of the agency.

15 Under existing law, the date of termination of a redevelopment plan and any
16 amendments to the plan adopted before January 1, 1991, by a redevelopment
17 agency of a city whose population is 500,000 or more (currently the City of Las
18 Vegas) is authorized to be extended by ordinance adopted by the city council of
19 that city from a maximum of 45 years to 60 years if the following conditions exist
20 on the date on which the extension is adopted: (1) the assessed value of each
21 redevelopment project in the redevelopment area is not less than the assessed value
22 of the redevelopment project in the year in which the redevelopment plan was



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23 adopted; (2) the assessed value of the redevelopment area is not less than 75
24 percent of the assessed value of the redevelopment area in the year in which the
25 redevelopment plan was adopted; and (3) the agency has \$100 million or more in
26 total outstanding indebtedness represented by bonds and other securities. (NRS
27 279.438) **Section 2** of this bill changes the assessed value requirement in the first
28 condition from the basis of each individual redevelopment project to the aggregate
29 of redevelopment projects in the redevelopment area and eliminates the third
30 condition.

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

1 **Section 1.** Chapter 279 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 1. *Except as otherwise provided in this section, an agency of*
4 *a city whose population is 250,000 or more but less than 500,000*
5 *that adopts an ordinance pursuant to subsection 3 of NRS 279.439*
6 *and which receives revenue from taxes pursuant to paragraph (b)*
7 *of subsection 1 of NRS 279.676 shall set aside not less than 18*
8 *percent of such revenue received on or after the effective date of*
9 *the ordinance to improve and preserve existing public educational*
10 *facilities which are located within the redevelopment area or*
11 *which serve pupils who reside within the redevelopment area. The*
12 *provisions of this subsection do not apply if such an agency is*
13 *required pursuant to subsection 6 of NRS 279.676 to set aside not*
14 *less than 18 percent of revenue received from taxes pursuant to*
15 *paragraph (b) of subsection 1 of NRS 279.676 on or after the*
16 *effective date of the ordinance to improve and preserve existing*
17 *public educational facilities which are located within the*
18 *redevelopment area or which serve pupils who reside within the*
19 *redevelopment area. For each fiscal year, the agency shall prepare*
20 *a written report concerning the amount of money expended for the*
21 *purposes set forth in this subsection and shall, on or before*
22 *November 30 of each year, submit a copy of the report to the*
23 *Director of the Legislative Counsel Bureau for transmittal to the*
24 *Legislative Commission, if the report is received during an odd-*
25 *numbered year, or to the next session of the Legislature, if the*
26 *report is received during an even-numbered year.*

27 2. *The obligation of an agency pursuant to subsection 1 to set*
28 *aside not less than 18 percent of the revenue from taxes allocated*
29 *to and received by the agency pursuant to paragraph (b) of*
30 *subsection 1 of NRS 279.676 is subordinate to any existing*
31 *obligations of the agency. As used in this subsection, "existing*
32 *obligations" means the principal and interest, when due, on any*
33 *bonds, notes or other indebtedness whether funded, refunded,*
34 *assumed or otherwise incurred by the agency before the effective*



1 *date of the ordinance adopted by the agency pursuant to*
2 *subsection 3 of NRS 279.439, to finance or refinance in whole or*
3 *in part, the redevelopment of a redevelopment area. For the*
4 *purposes of this subsection, obligations incurred by an agency on*
5 *or after the effective date of the ordinance adopted by the agency*
6 *pursuant to subsection 3 of NRS 279.439 shall be deemed existing*
7 *obligations if the net proceeds are used to refinance existing*
8 *obligations of the agency.*

9 **Sec. 2.** NRS 279.438 is hereby amended to read as follows:

10 279.438 1. A redevelopment plan adopted before January 1,
11 1991, and any amendments to the plan must terminate at the end of
12 the fiscal year in which the principal and interest of the last
13 maturing of the securities issued before that date concerning the
14 redevelopment area are fully paid or:

15 (a) With respect to a redevelopment plan adopted by the agency
16 of a city whose population is 500,000 or more, if the requirements
17 set forth in subsection 2 are met, 60 years after the date on which the
18 original redevelopment plan was adopted, whichever is later.

19 (b) With respect to any other redevelopment plan, including a
20 redevelopment plan adopted by an agency of a city whose
21 population is 500,000 or more, if the requirements set forth in
22 subsection 2 are not met, 45 years after the date on which the
23 original redevelopment plan was adopted, whichever is later.

24 2. A redevelopment plan adopted by an agency of a city whose
25 population is 500,000 or more may terminate on the date prescribed
26 by paragraph (a) of subsection 1 only if the legislative body adopts
27 an extension of the redevelopment plan by ordinance and, on the
28 date on which the extension is adopted:

29 (a) The assessed value of ~~each~~ *the aggregate number of*
30 ~~redevelopment~~ *projects* in the redevelopment area is not
31 less than the assessed value of the *aggregate number of*
32 ~~redevelopment~~ *projects* in the year in which the
33 redevelopment plan was adopted; *and*

34 (b) The assessed value of the redevelopment area is not less than
35 75 percent of the assessed value of the redevelopment area in the
36 year in which the redevelopment plan was adopted. ~~;~~ *and*

37 ~~—(c) The agency has \$100 million or more in total outstanding~~
38 ~~indebtedness represented by bonds and other securities.~~

39 **Sec. 3.** NRS 279.439 is hereby amended to read as follows:

40 279.439 ~~[A]~~ 1. *Except as otherwise provided in subsections*
41 *2 and 3, a* redevelopment plan adopted on or after January 1, 1991,
42 and any amendments to the plan must terminate not later than 30
43 years after the date on which the original redevelopment plan is
44 adopted.



1 **2. A redevelopment plan, and any amendments to the plan,**
2 **adopted on or after January 1, 1991, by an agency of a city whose**
3 **population is 250,000 or more but less than 500,000 that meets the**
4 **requirement of subsection 3 must terminate not later than 45 years**
5 **after the date on which the original redevelopment plan is**
6 **adopted.**

7 **3. A redevelopment plan, and any amendments to the plan,**
8 **may terminate on the date prescribed by subsection 2 only if the**
9 **legislative body adopts an extension of the redevelopment plan by**
10 **ordinance.**

11 **Sec. 4.** NRS 279.680 is hereby amended to read as follows:

12 279.680 Except as otherwise provided in NRS 279.685 ~~†~~ **and**
13 **section 1 of this act**, in any redevelopment plan, or in the
14 proceedings for the advance of money, or the making of loans, or
15 the incurring of any indebtedness, whether funded, refunded,
16 assumed or otherwise, by the redevelopment agency to finance or
17 refinance, in whole or in part, the redevelopment project, the portion
18 of taxes mentioned in paragraph (b) of subsection 1 of NRS 279.676
19 may be irrevocably pledged for the payment of the principal of and
20 interest on those loans, advances or indebtedness.

21 **Sec. 5.** NRS 279.687 is hereby amended to read as follows:

22 279.687 A school district shall not use any money received
23 pursuant to subparagraph (2) of paragraph (b) of subsection 1 of
24 NRS 279.685 , ~~†or†~~ paragraph (c) of subsection 1 of NRS 279.685
25 **or section 1 of this act** to reduce or supplant the amount of any
26 money which the school district would otherwise expend for the
27 purposes described in subparagraph (2) of paragraph (b) of
28 subsection 1 of NRS 279.685 , ~~†and†~~ paragraph (c) of subsection 1
29 of NRS 279.685 ~~†~~ **and section 1 of this act**, respectively.

30 **Sec. 6.** The provisions of subsection 1 of NRS 218D.380 do
31 not apply to the reporting requirements of section 1 of this act.

32 **Sec. 7.** This act becomes effective on July 1, 2015.

