

**CITY OF NORTH LAS VEGAS  
SPECIAL CITY COUNCIL MEETING MINUTES**

October 17, 2007

Website - <http://www.cityofnorthlasvegas.com>

**CALL TO ORDER**

4:02 P.M., Council Chambers, 2200 Civic Center Drive, North Las Vegas

**ROLL CALL**

**COUNCIL PRESENT**

Mayor Michael L. Montandon  
Mayor Pro Tempore William E. Robinson  
Councilwoman Stephanie S. Smith  
Councilwoman Shari Buck  
Councilman Robert L. Eliason

**STAFF PRESENT**

City Manager Gregory Rose  
Assistant City Manager Sam Chambers  
City Attorney Carie Torrence  
City Clerk Karen L. Storms  
Communications Director Brenda Fischer  
Economic Development Director Mike Majewski  
Finance Director Phil Stoeckinger  
Parks and Recreation Director Mike Henley  
Planning and Zoning Director Jory Stewart  
Parks Landscape Architect John Jones  
Planning and Zoning Manager Marc Jordan  
Assistant City Clerk Anita Sheldon

**VERIFICATION**

Karen L. Storms, CMC  
City Clerk

## **BUSINESS**

City Manager Gregory Rose stated Item No. 3 would be heard first.

### **3. PRESENTATION REGARDING “CRAIG RANCH REGIONAL PARK PHASING - ISSUES AND CHALLENGES.”**

Parks and Recreation Director Mike Henley explained the goals of the presentation were to obtain Council's approval of the Phase One recommendations for the park and to present the future priorities for development in order to identify needs and sources of funding. Director Henley recapped the elements of Phase One, which included the infrastructure such as water, electric, drains, and fire suppression utilities. Also included in Phase One were parking, restrooms, renovations of existing buildings, trash enclosures and perimeter fencing. An estimated 3,500 to 5,000 people were expected to visit the park on busy or long weekends. A large picnic shelter, several picnic areas, lighted pathways connected to the regional trail and landscaping were also included in Phase One. Existing structures and pathways were used in the renovations, and existing trees were used for shade to avoid construction of new structures whenever possible.

The estimated construction budget was \$19.1 million. The budget for the completed park was \$126 million from the 2007 budget. Recommendations from the Parks and Recreation Department and the public determined the park amenities priorities. Councilwoman Buck stated the public had repeatedly expressed their desire for a dog park. The Craig Ranch dog park was not going to be completed for several years, and Councilwoman Buck asked what the possibilities were for a park in the near future. Director Henley said the Parks Department was looking into the possibility of making the dog park available in its preliminary stages until the park with full amenities was completed. Councilwoman Buck asked about the possibility of opening a dog park at one or more of the other parks in North Las Vegas, and Director Henley said the park at Craig Ranch was the one that could be ready the soonest.

Councilwoman Smith asked about the timing of some of the amenities, and Director Henley explained they needed to find sources for funding. Mayor Montandon commented to open the park at a basic level cost about \$15 million for the infrastructure, and that was what Phase One accomplished. Director Henley said the intention was to provide activities and uses for the park while it was in developmental stages.

**ACTION: PRESENTATION MADE**

1. **PRESENTATION, DISCUSSION AND/OR ACTION FOR POSSIBLE ADOPTION OF A POLICY REGARDING TAX INCREMENT AREA (TIA) AND SALES TAX AND REVENUE (STAR) BONDS.**

Economic Development Director Mike Majewski stated the State Legislature had adopted some funding mechanisms to encourage economic development. The purpose of the presentation was to obtain approval of criteria that would enable staff to work with companies that could be eligible to use the finance options. After the criteria were adopted, Staff would introduce the companies that met the qualifications for consideration of projects that had the potential for the greatest economic impact on the City.

The recommended qualifications for Tax Increment Areas (TIAs) were a minimum size of 100 acres and a capital investment of \$200 million. In addition, a maximum of thirty percent of the area could be devoted to residential uses, to ensure jobs and activities were provided to residents. A minimum of 1,000 new permanent jobs with a minimum annual payroll of \$20 million was required. Unrestricted gaming projects were not eligible unless there was a minimum capital investment of \$1 billion, excluding the cost of the land. Each project had to be supported by a cost/benefit analysis agreed upon by the City Manager or his designee and had to include a five-year operating history of the developer, a pro forma for the project, description of similar projects in the region, a detailed report of all funding to be utilized, a written summary demonstrating why the TIA financing was needed, and a description of the benefits to the City of North Las Vegas. The developers had to include a schedule of performance and hiring, and had to provide a non-assignment clause.

Mayor Montandon asked how the criteria were developed. Director Majewski explained Staff carefully scrutinized various elements and considered how to limit proposals to garnish the greatest benefits to the City.

For Star Bonds, which focused more on tourist destinations rather than City priorities, a minimum of 75 acres and capital investment of \$200 million were recommended. Residential areas were limited to less than 30 percent of mixed use projects. A minimum of 800 new permanent jobs with a minimum annual payroll of \$15 million was required. A detailed letter of intent which specified the project was a tourist attraction was also required. Unrestricted gaming projects were not to be considered unless they were over \$1 billion and double the job and payroll requirements of other projects. A description of the surrounding existing and planned land uses and a discussion of how the project promoted further economic development were also required. Developers had to include a schedule of performance and hiring and had to provide a non-assignment clause.

**Andy Artusa, Managing Director, Nevada State Bank, 750 Warm Springs Road, Suite 290, Las Vegas** explained Tax Increment Area bonds could be used when an area was

projected to generate significant amounts of property tax revenues that could be used to pay off the bonds. The formation was similar to Special Improvement Districts. TIA projects were similar to Redevelopment projects, but could not be used in Redevelopment projects.

Councilman Eliason entered Chambers at 4:29 P.M.

Mayor Montandon asked whether all of the taxes collected were used to pay off the bonds. Mr. Artusa clarified the County's operating rate of .67 cents, the City of North Las Vegas' operating rate of .33 cents plus .15 cents from the State were used to pay off the bonds. School district taxes and tax overrides were excluded. Councilwoman Smith questioned how such development was of benefit to the City if the property tax revenues were used to pay off the bonds. Mr. Artusa explained the TIAs could only be used for specific things such as flood control, overpasses, underpasses, sewer, water and street projects. He said the use of the TIAs relieved taxpayers of assessment payments. Although the City would not receive property tax revenues, the growth and improvement to the City would bring revenues in a broader scope. Councilwoman Smith pointed out such improvements also placed demand on City resources such as police and road maintenance which were typically paid for with property taxes. Director Majewski assured her a cost/benefit analysis would be presented for each project, and each project would be brought before Council for approval. The only matter before Council at this time was approval of a set of criteria to be met for consideration of the use of TIAs or Star Bonds. Mr. Artusa noted public safety and street overrides were also excluded, and said only operating taxes were affected. He stated the County also funded a portion through its operating taxes.

The revenues generated by the Tax Increment made up the revenue bond. The City had to cover 125 to 150 percent of the revenues.

Star bonds were for use by private developers that wanted to do large projects in North Las Vegas. Star bonds were supported by sales taxes. They had to be approved by the Tourism Commission and the governor. An analysis of the fiscal impact on local governments had to be submitted along with a study that proved at least 51% of business revenue was from out of state tourists. 75% of the sales tax revenues from the project were put to a bond issue that could be used for a wider variety of projects than TIAs. Star bonds could be used with TIAs, SIDs and Redevelopment projects. There was a risk that actual revenues would not equal projected revenues, therefore Star bonds had to be carefully scrutinized before approval.

Finance Director Phil Stoeckinger explained these were tools to help the City finance high priority projects and should be limited to projects that provided maximum benefit to citizens. He reiterated every project was evaluated on a case by case basis which would include a cost/benefit analysis. City Manager Rose asked Council to determine whether or not they

were viable financial tools that could be used for economic development and if so, whether the proposed criteria were effective. Director Stoeckinger noted TIAs had no impact on the school district. Nor were public safety and street funding affected. He pointed out they allowed the City to move forward with projects that would otherwise be delayed and subject to an annual inflation rate of over 18 percent. Over 75 percent of the TIAs were paid by the County and the State. Star bonds increased sales tax revenues with the addition of out of state tourism. Currently, the City of North Las Vegas received 2 percent of sales taxes.

Councilwoman Buck asked whether TIAs and Star bonds had been used elsewhere in the state. Director Stoeckinger responded Sparks and Reno had used both. Councilwoman Buck asked for documentation of the criteria used and results of the projects. Mayor Montandon said neither project was open and generating revenues yet. Mayor Montandon stated he had looked into it and found that only two criteria had been used in those instances. He felt the criteria North Las Vegas developed were very useful and would be helpful to other locales within the Nevada Commission of Tourism. He was very pleased with the research and analysis brought forth by Finance and Economic Development. Councilwoman Buck directed Staff to contact Sparks and Reno to determine the challenges they had encountered in order to help the City avoid similar problems. Mayor Montandon and Directors Majewski and Stoeckinger confirmed they had considered the experiences of the northern Nevada locales in the research that was conducted. However, none of the projects was completed, and there were different types of projects proposed for North Las Vegas.

Councilwoman Smith recommended Staff move forward with development of the criteria, as it was the means for gathering information to assess future projects. Mayor Montandon stated the City was already in receipt of several large proposals. Councilwoman Buck asked Staff to research the use of TIAs and Star bonds in other states.

**ACTION: STAFF DIRECTED TO MOVE FORWARD WITH RECOMMENDED CRITERIA**

**MOTION: Councilwoman Buck**

**SECOND: Mayor Pro Tempore Robinson**

**AYES: Mayor Montandon, Mayor Pro Tempore Robinson, Councilmembers Smith, Buck and Eliason**

**NAYS: None**

**ABSTAIN: None**

## **2. DISCUSSION AND/OR ACTION REGARDING THE USE OF CITY HALL**

**BUILDING BOND PROCEEDS TO CONSTRUCT THE LIBRARY.**

Finance Director Stoeckinger recommended the City use proceeds from the City Hall bond to finance the Alexander Library, as City Hall construction was not projected to start until the first quarter of fiscal year 2009. Doing so saved the City \$51,000 in interest earned on the City Hall debt, which would have to be returned to the Internal Revenue Service (arbitrage) if it was not used within three years. It also saved the City \$210,000 of Issuance Cost by combining two bonds into one. In addition, payments were delayed until 2011.

ACTION: STAFF DIRECTED TO MOVE FORWARD WITH RECOMMENDATIONS

MOTION: Councilwoman Smith

SECOND: Mayor Pro Tempore Robinson

AYES: Mayor Montandon, Mayor Pro Tempore Robinson, Councilmembers Smith, Buck and Eliason

NAYS: None

ABSTAIN: None

**4. PRESENTATION BY CLARION ASSOCIATES, DISCUSSION AND/OR ACTION REGARDING AN UPDATE TO THE ZONING ORDINANCE (TITLE 17).**

Planning and Zoning Director Jory Stewart introduced **Chris Duerksen, Clarion Associates, LLC, 1700 Broadway, Suite 400, Denver, CO.** Mr. Duerksen reviewed there had been a preliminary presentation in May 2007 when it was identified there was a need for an update to the City's Zoning Ordinance. Clarion prepared an annotated outline with 9 Guiding Principles. Council's direction on several of the components was sought, after which Clarion would proceed to draft the new code in three installments which would be brought before Council separately: Administration and Procedures, Zone District and Uses and Development Standards. Councilwoman Buck questioned why it would take a year to complete the new ordinance. Mr Duerksen explained the code was enormous. Preparation of each module took two months, then it went for Staff review, then to Council. In fact, completion in one year was an accelerated schedule.

Mr. Duerksen stated Guiding Principle No. 3 was the most important. It determined clear and consistent standards and definitions for determination of when zoning applications were complete and ready for the next step in the process, similar to the process used in the City of Henderson. The advisory committee that was formed to review Clarion's recommendations approved of it. Principle No. 3 also included a Waiver Tradeoff System, a more structured system of granting waivers whereby developers were required to offer

the City a benefit in exchange for the grant of a waiver. In addition, Clarion proposed a re-zoning of the City's Master Planned Community Districts from overlay districts to separate Planned Community Districts, which alleviated the need for amendments to zoned districts. Clarion recommended the City synchronize development agreements and zoning changes. When Clarion proposed the changes to the Advisory Committee, the reaction of developers' representatives was favorable. Mr. Duerksen stated Council had the most Legislative power during the zoning process, therefore combining zoning with development agreements gave Council more authority regarding decisions in major development projects.

Mayor Montandon had concerns about the Waiver Tradeoff System. He wanted to be sure developers knew waivers were at Council's discretion, and were not guaranteed if a developer met the Tradeoff requirements. He did not want waivers to become routine, and wanted it made clear they were exceptions. Mr. Duerksen agreed and said they were looking for guidance as to the draft of the ordinance, which would be brought before Council for review and final approval.

In reference to Guiding Principle No. 4, Mr. Duerksen pointed out another important goal was to ensure aesthetics and variety in the design of homes, buildings and landscaping. He also thought the zoning ordinance should be revised so that industrial areas had less non-industrial, commercial buildings and businesses. Other types of businesses that were needed to work with industrial businesses were allowed, but would be limited and kept to the perimeters. Mayor Montandon said the definitions of M-1 and M-2 districts needed clarification. He also mentioned the City had annexed some properties that had different zoning and setback requirements than those of North Las Vegas, and had to be reviewed so they could be as consistent as possible.

Guiding Principle No. 5 addressed definitions and standards for infill development, including parking, open spaces and landscaping. Mayor Montandon stated there needed to be two sets of infill standards, one for downtown and one for outside the downtown perimeter which would be established. Mayor Pro Tempore Robinson and Councilman Eliason were concerned about the density infill development created, especially in residential areas. Mr. Duerksen acknowledged the issue, and said they used transitional compatibility standards which allowed Council to impose conditions. Density and usage decisions were under Council's authority.

Councilwoman Smith asked Clarion to look into the matter of setbacks, street width and speed limits, regardless of density. Councilman Eliason wanted a method developed that slowed down the speed of traffic on streets with long, wide straightaways. Mayor Montandon commented that was an issue the Traffic and Parking Advisory Committee should address.

ACTION: PRESENTATION MADE

**PUBLIC FORUM**

There was no public participation.

**ADJOURNMENT**

ACTION: THE MEETING ADJOURNED AT 5:24 P.M.

MOTION: Mayor Montandon

SECOND: Mayor Pro Tempore Robinson

AYES: Mayor Montandon, Mayor Pro Tempore Robinson, Councilmembers Smith,  
Buck and Eliason

NAYS: None

ABSTAIN: None

**APPROVED: November 7, 2007**

/s/Michael L. Montandon  
Mayor Michael L. Montandon

**ATTEST:**

/s/Karen L. Storms  
Karen L. Storms, CMC  
City Clerk