



# **NEVADA LEGISLATURE LEGISLATIVE COMMISSION'S SUBCOMMITTEE TO STUDY THE AVAILABILITY AND INVENTORY OF AFFORDABLE HOUSING**

**(Assembly Concurrent Resolution No. 11, File No. 97, *Statutes of Nevada 2005*)**

## **SUMMARY MINUTES AND ACTION REPORT**

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The fifth meeting of the Legislative Commission's Subcommittee to Study the Availability and Inventory of Affordable Housing was held on May 8, 2006, at 1 p.m. in the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada, in Room 4401. The meeting was videoconferenced to Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. A copy of this set of "Summary Minutes and Action Report," including the "Meeting Notice and Agenda" ([Exhibit A](#)) and other substantive exhibits, is available on the Nevada Legislature's Web site at [www.leg.state.nv.us/73rd/Interim](http://www.leg.state.nv.us/73rd/Interim). In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (e-mail: [publications@lcb.state.nv.us](mailto:publications@lcb.state.nv.us); telephone: 775/684-6835).

### **SUBCOMMITTEE MEMBERS PRESENT IN LAS VEGAS:**

Assemblyman Marcus L. Conklin, Chairman  
Senator Steven A. Horsford  
Senator Dennis Nolan  
Assemblywoman Francis O. Allen  
Assemblywoman Marilyn Kirkpatrick

### **SUBCOMMITTEE MEMBER PRESENT IN CARSON CITY:**

Senator Maurice E. Washington

### **LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:**

Kelly S. Gregory, Research Analyst, Research Division, Legislative Counsel Bureau (LCB)  
William L. Keane, Principal Deputy Legislative Counsel, Legal Division, LCB  
Ann M. Iverson, Senior Deputy Legislative Counsel, Legal Division, LCB  
Lucinda Benjamin, Senior Research Secretary, LCB

## **OPENING REMARKS**

The meeting was opened by Assemblywoman Marilyn Kirkpatrick until Chairman Conklin could take the chair.

## **DISCUSSION OF AFFORDABLE HOUSING ISSUES AND INITIATIVES IN THE PRIVATE SECTOR**

**(As directed by Assemblywoman Kirkpatrick, this agenda item was taken out of order.)**

- Irene Porter, Executive Director, Southern Nevada Homebuilders Association, stated that a community survey was conducted by several organizations from southern Nevada on housing topics. She noted that the results would be presented by Jeremy Aguero. For Ms. Porter's introductory and concluding remarks, please see [Exhibit B](#).
- Jeremy Aguero, Applied Analysis, presented a Microsoft PowerPoint presentation titled "Southern Nevada Housing Conditions" and stated that housing has become increasingly expensive during the past several years. The presentation included the results of the community survey on housing supply and demand, identification of core housing, homeownership, and devaluation. Please see [Exhibit C](#).
- Jim Chachas, Hobbs, Ong and Associates, submitted information on the additional cost of government regulations as factors in home pricing. Mr. Chachas presented a schedule of permits, fees, charges and exactions for a single family home in Clark County. Please see [Exhibit D](#).
- Chairman Conklin requested an itemized list of the actual fees for the schedule of permits, fees, and charges presented by Mr. Chachas. Ms. Porter indicated that she would provide the information to the Subcommittee.
- Jason Gray, Strategic Solutions, presented a Microsoft PowerPoint presentation titled "Affordable/Attainable Housing Survey" a community-wide survey that was conducted between March 30 and April 6, 2006. The survey objectives for affordable/attainable housing were to: (1) assess the relative demand among Las Vegas Valley residents for housing programs; (2) gauge the level of awareness for and perception of housing as a community issue; and (3) test support for potential housing development scenarios. Please see [Exhibit E](#).
- Irene Porter stated that the market creates a balance between housing supply and demand. She commented on land and construction costs, government regulation, and insurance for builders and trade contractors. Additionally, Ms. Porter requested public support be incorporated in plans for workforce housing in the Las Vegas area.
- In response to questions from the Subcommittee, Mr. Aguero explained that the cost for fees on an average priced home would be approximately \$50,000 and indicated that the sample pool was representative of the areas surveyed.

- Senator Horsford requested additional information on assistance programs for homeownership; determinations on where individuals desire to live; and the effect assistance programs have on an individual's tax liability. Mr. Aguero will provide the information to the Subcommittee.
- Ms. Porter was of the opinion that current legislation has assisted in the overall construction defect area; however, insurance litigation is still a problem for builders.

## **DISCUSSION OF AFFORDABLE HOUSING ISSUES FACING MOBILE HOME PARK OWNERS AND RESIDENTS**

**(As directed by Chairman Conklin, this agenda item was taken out of order.)**

- Assemblywoman Chris Giunchigliani, Clark County, Assembly District No. 9, submitted legislative and local government recommendations to meet housing needs in the Las Vegas Valley. She suggested using manufactured homes to meet the need for affordable housing and referred to a survey conducted in 2005 in the Las Vegas Valley, which revealed a shortage of senior and workforce housing. Assemblywoman Giunchigliani submitted recommendations for consideration by the Subcommittee. Please see [Exhibit F](#).
- In response to a question from Chairman Conklin, Assemblywoman Giunchigliani provided information on a fund for first-time buyers.
- Assemblyman Mark A. Manendo, Clark County, Assembly District No. 18, stated that park closure issues are very serious. He was of the opinion that manufactured housing should be included as affordable housing, and incentives such as tax credits or abatements be used to encourage future developments. Please see [Exhibit F1](#).
- Bob Varallo, past-President of the Nevada Association of Manufactured Homeowners (NAMH), stated that the NAMH presents mobile home owner issues and concerns to the Nevada Legislature. He informed the Subcommittee of an 18-month moratorium on park closures in Clark County and stated that an explanation must be provided to park residents of planned closures.
- Vanessa Hatch, Compliance Officer for Augusta Homes, provided information on Augusta Homes, a nonprofit organization, and explained their housing program, new sources of housing, and expressed the need to maintain current mobile home parks. Ms. Hatch provided demographic information on mobile home parks and residents and discussed development options for land owners. Please see [Exhibit F2](#).
- In conclusion, Assemblywoman Giunchigliani stated Augusta Homes offers an innovative program for affordable housing.

**APPROVAL OF THE “SUMMARY MINUTES AND ACTION REPORT” OF THE MEETING HELD ON FEBRUARY 27, 2006, IN LAS VEGAS**

**(As directed by Chairman Conklin, this agenda item was taken out of order.)**

**THE SUBCOMMITTEE APPROVED THE FOLLOWING ACTION:**

ASSEMBLYWOMAN KIRKPATRICK MOVED TO APPROVE THE MINUTES OF THE SUBCOMMITTEE’S MEETING HELD ON FEBRUARY 27, 2006, IN LAS VEGAS, NEVADA. THE MOTION WAS SECONDED BY ASSEMBLYWOMAN ALLEN, WHICH PASSED UNANIMOUSLY.

**DISCUSSION OF AFFORDABLE HOUSING ISSUES AND INITIATIVES IN THE PRIVATE SECTOR**

**(As directed by Chairman Conklin, this agenda item was taken out of order.)**

- Mark Fiorentino, Lobbyist, Kummer, Kaempfer, Bonner, Renshaw, and Ferrario, was of the opinion that there are limited community resources available for affordable housing. He presented the following recommendations to: (1) create a fund to assist first-time homebuyers; (2) enable individuals to buy a home where they desire to live; (3) minimize bureaucracy; and (4) reduce additional administrative burdens on local governments. In addition, Mr. Fiorentino explained the qualification criteria for potential homeowners and mortgagers for a proposed lending program. Please see [Exhibit G](#).
- Chairman Conklin mentioned that the program described by Mr. Fiorentino is not currently operational; however, he stated it could be initiated quickly.
- In response to questions from the Subcommittee, Mr. Fiorentino explained that the proposed fund would be a voluntary program, utilized only as needed, and could be operated throughout Nevada. He added the process for qualifying for assistance would follow existing lending criteria.

## **PRESENTATION OF THE PROPOSAL TO CREATE A STATEWIDE HOUSING DATABASE**

**(As directed by Chairman Conklin, this agenda item was taken out of order.)**

- Debra March, Executive Director, Lied Institute for Real Estate Studies, University of Nevada, Las Vegas (UNLV), provided information about a 2005 roundtable meeting conducted to identify barriers for attainable housing. She supported the need for a statewide database in Nevada and discussed partnerships between public and private entities to meet the need for affordable housing. Please see [Exhibit H](#).
- Brian Bonnenfant, Geographic Information Systems Analyst, Nevada Small Business Development Center (NSBDC), University of Nevada, Reno (UNR), explained the operating plan for a data collection and analysis program for northern and southern Nevada. He stated that two new positions, Nevada Housing Analysts, would be established within the University of Nevada system to accomplish the scope of work including information collection and distribution. He explained the survey component, geographic information system, data dissemination, oversight and management, and the proposed program budget. Please see [Exhibit I](#).
- Discussion was held regarding the U.S. Department of Housing and Urban Development (HUD) grant program.
- Dr. Jeff Hardcastle, American Institute of Certified Planners, State Demographer, Office of the State Demographer, Nevada System of Higher Education, explained that his office is in the NSBDC, UNR, and was of the opinion the NSBDC could provide a model for the database program.
- Robert Potts, Assistant Director, Center for Business and Economic Research, UNLV, explained the information collection program would provide accurate data for planning and economic development purposes. Mr. Potts pointed out to the Subcommittee that data is not currently collected to define Nevada's communities and added primary survey data research can determine Nevada's demographic mix, racial mix, income profiles, and gender mix, which are not currently collected on a regular basis.
- Senator Nolan asked about forecasting the diversity of Nevada's population and endorsed the proposed program. He was of the opinion that current data could assist in drawing new businesses to the State.

## **DISCUSSION OF THE ROLE OF DEVELOPMENT AUTHORITIES IN AFFORDABLE HOUSING**

**(As directed by Chairman Conklin, this agenda item was taken out of order.)**

- Michael Pennington, Public Policy Director, Reno-Sparks Chamber of Commerce, expressed support for the proposed statewide housing data collection program. He stated the Chamber of Commerce has examined the issue of affordable and attainable housing and will provide information to the Subcommittee on stakeholders meetings being held in northern Nevada. Please see [Exhibit J](#).
- Jason Geddes, Manager of Government Affairs, Economic Development Authority of Western Nevada, agreed there is a need for the data collection program, which can target economic development areas for companies that might want to relocate businesses to northern Nevada. Please see [Exhibit K](#).

## **PRESENTATION OF LEGISLATIVE PROPOSALS CONCERNING REDEVELOPMENT, PRIVATE DEVELOPMENT, ZONING, AND REVISION OF DEFINITIONS RELATING TO AFFORDABLE HOUSING**

- Michael Mullin, President, Nevada Housing and Neighborhood Development (HAND) and member of the Nevada Housing Coalition, presented information to the Subcommittee on sources and uses of funding for the Low Income Housing Trust Fund (LIHTF) operated by the Housing Division, Department of Business and Industry. Please see [Exhibit L](#). Mr. Mullin submitted information on the history of LIHTF and the program's annual allocations and expenditures. Please see [Exhibit M](#).
- In response to a question posed by Assemblywoman Kirkpatrick, Mr. Mullin explained that an increase in the LIHTF was requested to meet funding gaps for housing projects caused by high construction costs. In addition, Mr. Mullin informed the Subcommittee of the funding process for projects from application to actual construction.
- Ernie Nielsen, Washoe County Senior Law Project, commented on workforce housing and explained the Nevada Housing Coalition focuses on the administration of housing trust funding. He stated a need for the proposed data collection program to help local jurisdictions make funding decisions and to implement five-year plans. Mr. Nielsen suggested a possible source of funds could be a new increment to the room tax for weekly rental units, where homeless people live.
- Lesa Coder, Director of Operations, Clark County Redevelopment Agency, referred to the "Workforce Housing Subcommittee Proposed Legislative Initiatives" submitted for consideration by the Subcommittee. Ms. Coder discussed the projected need for housing and presented recommendations to: (1) expand eligibility requirements for 18 percent Redevelopment Set-Aside Funds for earnings above the 80 percent Annual Median Income (AMI); (2) allow cities under the present exemption for affordable housing to include the possibility of private-sector affordable housing development, increase the eligibility requirements for land provided for affordable housing, and change the required affordability period for development of single family homes; (3) enable Clark County to participate in developing single family detached housing products regarding bonding law and allow and clarify the definition of

“development” in *Nevada Revised Statutes* (NRS); and (4) amend sections of NRS for references to “affordable” and “attainable” housing. Please see [Exhibit N](#).

- Chairman Conklin emphasized that the deadline for submitting recommendations for consideration by the Subcommittee is 5 p.m., May 8, 2006.

## **DISCUSSION OF RECOMMENDATIONS CONCERNING THE USE OF REDEVELOPMENT FUNDS FOR AFFORDABLE HOUSING**

- Armando Ornelas, Redevelopment Manager, City of Sparks, discussed current tax increments and stated the City has completed a senior citizen housing project. Mr. Ornelas recommended amending NRS 360.250 and 361.260 to add language to establish a reasonable statute of limitations on payment of the tax increment to redevelopment agencies and granting the State Board of Equalization the ability to refute reductions in assessed value of properties within redevelopment plan areas. Please see [Exhibit O](#).
- Senator Washington requested that Mr. Ornelas’ recommendations be included to the Subcommittee’s “Work Session Document.”

## **PUBLIC COMMENT**

- Paula Berkley, Nevada Network Against Domestic Violence, submitted recommendations for consideration by the Subcommittee to support low-income families in Nevada in obtaining affordable housing particularly those affected by domestic violence. Please see [Exhibit P](#). Ms. Berkley also submitted information on domestic violence housing laws in other states. Please see [Exhibit Q](#).

## **ADJOURNMENT**

There being no further business to come before the Subcommittee, the meeting was adjourned at 4:53 p.m.

Respectfully submitted,

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Lucinda Benjamin  
Senior Research Secretary

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Kelly S. Gregory, Research Analyst  
Research Division, LCB

APPROVED BY:

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Assemblyman Marcus L. Conklin, Chair

Date: \_\_\_\_\_



## **LIST OF EXHIBITS**

[Exhibit A](#) is the “Meeting Notice and Agenda” provided by Kelly S. Gregory, Research Analyst, Research Division, Legislative Counsel Bureau.

[Exhibit B](#) is the written testimony of Irene Porter, Executive Director, Southern Nevada Homebuilders Association.

[Exhibit C](#) is a Microsoft PowerPoint presentation titled “Southern Nevada Housing Conditions,” submitted by Jeremy Aguero, Applied Analysis.

[Exhibit D](#) is a document titled “Schedule of Permits, Fees, Charges and Exactions, Single Family Home, Clark County, Nevada,” submitted by Jim Chachas, Hobbs, Ong and Associates.

[Exhibit E](#) is a Microsoft PowerPoint presentation titled “Affordable Housing Survey, April 2006,” submitted by Jason Gray, Strategic Solutions.

[Exhibit F](#) is the written testimony of Assemblywoman Chris Giunchigliani, Clark County, Assembly District No. 9.

[Exhibit F1](#) is a memorandum to Assemblywoman Chris Giunchigliani from Tina Calilung, Deputy Fiscal Analyst, and Russell Guindon, Senior Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, on the subject of “State and Local Tax Incentives for Developers of Affordable Housing Units,” dated May 5, 2006.

[Exhibit F2](#) is the written testimony of Vanessa Hatch, Compliance Officer for Augusta Homes.

[Exhibit G](#) is a Microsoft PowerPoint presentation titled “Attainable Housing Solutions” prepared by the Focus Property Group and submitted by Mark Fiorentino, Lobbyist, Kummer, Kaempfer, Bonner, Renshaw, and Ferrario.

[Exhibit H](#) is a document titled “Lied Institute 2005 Real Estate Roundtable: Developing Attainable Housing: How Do We Do It?” submitted by Debra March, Executive Director, Lied Institute for Real Estate Studies, University of Nevada, Las Vegas.

[Exhibit I](#) is a document titled “Operational Plan” submitted by Brian Bonnenfant, Geographic Information Systems Analyst, Nevada Small Business Development Center, University of Nevada, Reno.

[Exhibit J](#) is written testimony submitted by Michael Pennington, Public Policy Director, Reno-Sparks Chamber of Commerce.

[Exhibit K](#) is the written testimony of by Jason Geddes, Manager of Government Affairs, Economic Development Authority of Western Nevada.

[Exhibit L](#) is a letter to the Subcommittee to Study the Availability and Inventory of Affordable Housing from Michael Mullin, President, Nevada Housing and Neighborhood Development (HAND), dated May 5, 2006.

[Exhibit M](#) is a document titled “Nevada Housing Coalition Legislative Agenda” submitted by Michael Mullin, HAND, Nevada Housing Coalition member.

[Exhibit N](#) is a document titled “Workforce Housing Subcommittee Proposed Legislative Initiatives” submitted by Lesa Coder, Director of Operations, Clark County Redevelopment Agency.

[Exhibit O](#) is a letter to Marcus L. Conklin, Chair, Subcommittee to Study the Availability and Inventory of Affordable Housing, dated May 2, 2006, from Robert F. Joiner, Government Affairs Manager, Community Development Department, City of Sparks, submitted by Armando Ornelas, Redevelopment Manager, City of Sparks.

[Exhibit P](#) is a letter to Marcus L. Conklin, Chair, Subcommittee to Study the Availability and Inventory of Affordable Housing, dated May 2006, from Susan Meuschke, Executive Director, Nevada Network Against Domestic Violence (NNADV), submitted by Paula Berkley, NNADV.

[Exhibit Q](#) a document titled “State Law Guide, Housing Laws Protecting Victims of Domestic and Sexual Violence,” submitted by Paula Berkley, NNADV.

This set of “Summary Minutes and Action Report” is supplied as an informational service. Exhibits in electronic format may not be complete. Copies of the complete exhibits, other materials distributed at the meeting, and the audio record are on file in the Research Library of the Legislative Counsel Bureau, Carson City, Nevada. You may contact the Library online at [www.leg.state.nv.us/lcb/research/library/feedbackmail.cfm](http://www.leg.state.nv.us/lcb/research/library/feedbackmail.cfm) or telephone: 775/684-6827.