Prepared by Mary Walker Representing Storey County				
marywalker@gbis.com	CC	OMPARISON OF GOVERNANCE MOD	DELS	
	DISNEY REEDY CREEK			
	DISNEY REEDY CREEK			
DESCRIPTION	IMPROVEMENT DISTRICT	MR. BERNS' INNOVATION ZONE	NOTES	
What level of government did each				
entity propose to their respective Legislatures?	General Improvement District	County authorities and powers.	Disney specifically decided not to pursue a coun	ty governance, but pursued a
71 1 1	general improvement district which provides primarily public works			
			and Fire/EMS. Reedy Creek powers are very similar to Nevada's NRS 318 General	
			Improvement District powers.	
			Improvement Bistrict powers:	
Did proposer of the legislation promise to build				
a city of the future or smart city?	Yes.	Yes.		
a city of the fatare of smart city:	103.	103.		
Did or will the proposer of the legislation build the	+			
city of the future or smart city?	No.	To be Determined	Dispay promised the 1067 Florida Logislatura Dis	Energy would build the "Experimental Protetime
city of the future of smart city?	NO.	To be Determined	Disney promised the 1967 Florida Legislature Disney would build the "Experimental Prototype	
			Community of Tomorrow" or EPCOT with 20,000 residents. Disney never built this Community	
			Instead, EPCOT is a worlds fair type exhibition with no residents. The Disney Company	
			decided not to build the city because the citizens would have voting power over	
			the Reedy Creek Improvement District, and not Disney. There is a question whether	
			Mr. Berns would follow in Disney's footsteps and not build the city and lose control	
			of the government when citizens are able to vote in elections within the Zone.	
			In Section 14 of the BDR 22-1109 Innovation Zone legislation, the Innovation	
			Zone becomes a local government and a political subdivision of the State, separate from	
			and independent of the county in which it is located upon approval of an application to	
			create an Innovation Zone. This allows the Berns' 2 of 3 appointed Supervisors to control	
			the Innovation Zone until "there are 100 or more registered voters residing in the Innovation	
			Zone" only then do elections with citizens voting occur. How long of a period is that, from	
			when one person in State government approves the application until 100 or more voters	
			reside in the Innovation Zone? Will Mr. Berns allow the loss of control over "his" government	
			Why was 100 or more registered voters threshold decided? Is it because Mr. Berns has	
			approximately 100 employees in his business per Linked In and he could control them as	
			Disney controls its Executive Employees who are the only voting members of the Reedy	
			Creek Improvement District?	, , ,
			·	
Do the governments operate within existing	Yes, Reedy Creek operates within the two	No.	Mr. Berns' proposed Innovation Zone would in e	effect secede 40% of Storey County land from
counties the land is located in?	Florida counties of Orange and Osceola.	-	Storey County.	
·			,	
5) Does the Legislation creating the governance include	1			
a legal description of the boundaries of the				
governmental entities?	Yes.	No.	There is no legal description of the land within the	he Innovation Zone, therefore, the Zone's
	1 25.		boundaries could be changed. Could the Innovation Zone annex adjacent property such as	
	+		Tesla, Google and Switch? Could the Innovation Zone deannex areas?	
			Every government in Nevada has a legal description of the land within their jurisdiction.	
	+		Why is the legal description of the land the Innovation Zone would govern not be included?	
	+		How can basic governance occur if there is no boundary of the governing jurisdiction?	
			Inow can pasic governance occur ii there is no bo	oundary or the governing jurisdiction?

6) Does the Legislation creating the governance allow	No.	Yes.	The Florida Legislature knew it was Walt Disney World which would control the		
a person unknown to the Legislature control of a			Reedy Creek Improvement District. Mr. Bern's proposal is for any "person who submits an		
government?			application to establish an Innovation Zone" and is granted approval through a bureaucrati		
			process will control the government established. Note: The Legislature approved Tesla's		
			economic development proposal knowing it was Tesla, not an unknown person.		
			There are no qualifications of this "person" including requiring them to be a U.S. Citize		
7) Does the legislation creating the governance include					
police powers, judicial powers, health authority powers,	No.	Yes.	Disney's Reedy Creek Improvement District powers are specifically identified in the		
welfare powers and school powers and authority?			legislation creating the District. Mr. Bern's proposed Innovation Zone powers include		
			all county powers and authority.		
8) Do the Businesses/Citizens of respective models					
pay county property taxes and sales taxes?	Yes.	No.	Mr. Berns' proposed Innovation Zone would permanently receive back county sales taxes		
			the year after they were paid (Sec. 29). In essence, this is a permanent abatement		
			of county sales taxes on the premise it would go to pay for governmental services in		
			the Innovation Zone, however, with Mr. Berns being able to consolidate all the county		
			offices into one office at a low cost, Mr. Berns would be able to take the tax dollars		
			and pay for his development costs, instead of it being borne by the developer, Mr. Berns.		
			County property taxes would be paid to the Innovation Zone similarly and not to the		
			county in which the Zone is located, in essence a permanent abatement of county		
			property taxes.		
9) Does the governance allow for the unilateral					
expansion of powers and authorities by Disney or					
Berns?	No.	Yes.	Mr. Berns' proposal would allow the Innovation Zone Board of Supervisors the ability		
561151		1.00.	to take on county services, authorities and powers whenever they wish with 60 days		
			notice to the original county providing the service. Disney's Reedy Creek could		
			expand it's governmental services only if it had cooperative agreements with the		
			county or another government.		
10) Does the legislation establish a new bureaucratic					
process to approve the application to start the new					
government?	No.	Yes.	Mr. Berns' proposal establishes not a Legislative process to approve the establishment		
			an Innovation Zone County, but a bureaucratic process while Reedy Creek		
			Improvement District, controlled by Walt Disney World was approved by the 1967 Florida		
			Legislature. Note: The Tesla project was approved by the 2014 Special Session of the		
			the Legislature, not by a bureaucrat.		
11) Did the proposer of the legislation have development					
experience?	Yes.	No.	Disney had already built Disneyland in California proving the company's ability to		
			develop theme parks. Mr. Berns' does not have development experience.		

12) Did the proposer of the legislation have the				
financial resources to build the project and operate it				
in a sustainable manner?	Yes.	Unknown.	Disney had sufficient financial resources to build Disney World. Mr. Lee Weiss testified	
			at the August 12, 2021 Committee to Conduct a Study Concerning Innovation Zones: "A development of this character and scope requires collaboration with forward thinking real estate development professionals, like minded technology partners and of course, substantial capital. Blockchains is not planning on doing this alone. Realistically, the necessary commitments from these key partners and investors can only be secured if we are able to convince them the community will be able to attract sufficient residents and have long-term viability. Based on the innovative philosophy that underlies this project, it will be difficult and likely impossible to attract the necessary partners and investors unless there is clear buy-in to Nevada, that there is a path for unique residential projects like this to have autonomous governments run by their residents as opposed to being under control of existing county governments that serve more traditional communities. The draft Innovation Zone legislation provides this path." Therefore, it appears Mr. Weiss is suggesting it is "likely impossible" to attract the necessary partners and investors on their own. Mr. Weiss is suggesting they currently do not have the financial resources	
			to do the project and they will have to raise the r	noney to do the project.
			Note: Like Disney, Tesla also had sufficient resou	rces to build the Gigafactory in Storey
			County at the time of the 2014 Nevada Legislative approval of the project and incentives.	
13) Did proposer of the legislation own or lease the land				
the project would be built on?	Yes.	Unknown.	Mr. Berns' proposal in Section 11 states: "2. To be eligible for approval as an Innovation Zone,	
			the proposed area must: (a) Consist of at least 50,000 contiguous acres of undeveloped land owned or controlled by the applicant." Berns' proposal appears to allow for leasing the proposed area. In addition, Sec. 32 (3) regarding biannual reporting that: "The report must be certified by the applicant or the applicant's successor in interest."	
14) Were there safeguards put in the originating				
legislation to require performance by the proposers?	No.	No.		