

LCB File No. R002-07

**PROPOSED REGULATION OF THE
COMMISSION ON ECONOMIC DEVELOPMENT**

AMENDED NOTICE OF INTENT TO ACT UPON REGULATION

**Notice of Hearing for the Adoption of Regulations of the Nevada Commission on
Economic Development**

The Nevada Commission on Economic Development will hold a public hearing at 2:30 p.m., on Tuesday, April 24, 2007. The hearing will be held at the Nevada Commission on Economic Development, 108 East Proctor Street, 1st Floor Conference Room, Carson City, Nevada, 89701.

The purpose of the hearing is to receive comments from all interested persons regarding the adoption of regulations that pertain to Chapter 231 of the Nevada Administrative Code. The following information is provided pursuant to the requirements of NRS 233B.0603:

Authority: §§1-9, NRS 361.0775

A REGULATION relating to real property taxes; providing for the partial abatement of real property taxes on property with 'core and shell' buildings or other structures that meet or exceed certain standards of the Leadership in Energy and Environmental Design Green Building Rating System; and providing other matters properly relating thereto.

The adoption of these regulations will create a beneficial economic effect on the public. There may be an as yet undetermined fiscal impact to local governmental agencies. The Nevada Commission on Economic Development will have no additional costs incurred to administer the regulations adopted. Enforcement of the regulations can be accomplished through present resources at no additional cost.

The proposed adoption of these regulations does not overlap or duplicate any regulations of other state or local agencies, nor do they overlap or duplicate a federal regulation, nor are they required pursuant to federal law.

The proposed adoption of these regulations does not establish a new fee or increase an existing fee.

Persons wishing to comment upon the proposed action of the Nevada Commission on Economic Development may appear at the scheduled public hearing or may address their comments, data, views or arguments in written form to the Nevada Commission on Economic Development, 108 East Proctor Street, Carson City, Nevada, 89701. Written submissions must be received by the Nevada Commission on Economic Development on or before Friday, April 20, 2007. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Nevada Commission on Economic Development may proceed immediately to act upon any written submissions.

A copy of this notice and the regulations to be adopted will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, 89701, for inspection by members of the public during business hours.

Additional copies of the notice and the regulations to be adopted will be available at the Nevada Commission on Economic Development's offices at 108 East Proctor Street, Carson City, Nevada, 89701 and 555 East Washington Avenue, Suite 5400, Las Vegas, Nevada, 89101 and in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours. Copies of this notice and proposed regulation will be mailed to the members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary. This does not apply to a public body subject to the Open Meeting Law.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, wither before adoption or within 30 days thereafter, will issue a concise statement of the principal reasons for and against the adoption or incorporate therein its reason for overruling the consideration urged against its adoption.

This notice of hearing has been posted at the following locations:

- Nevada Commission on Economic Development 108 East Proctor Street, Carson City, NV 89701
- Nevada Commission on Economic Development 555 East Washington Ave., Ste. 5400, Las Vegas, NV 89101
- Nevada State Library 100 Stewart Street, Carson City, NV 89701
- Churchill County Library 553 South Maine Street, Fallon, NV 89406
- Douglas County Public Library 1625 Library Lane, Minden, NV 89423
- Elko-Lander-Eureka Counties Library System 720 Court Street, Elko, NV 89801
- Esmeralda County Library P.O. Box 128, Silverpeak, NV 89047-0128
- Eureka Branch Library 10190 Monroe Street, Eureka, NV 89316
- Humboldt County Library 85 East 5th Street, Winnemucca, NV, 89445
- Lincoln County Library 63 Main Street, Pioche, NV 89043-0330
- Lyon County Library System 20 Nevin Way, Yerington, NV 89447-2399
- Mineral County Library First and A Streets, Hawthorne, NV 89415
- Pershing County Library 1125 Central Avenue, Lovelock, NV 89419-0781
- Storey County Library 95 South "R" Street, Virginia City, NV 89440
- Tonopah Library District 171 Central Street, Tonopah, NV 89049
- Washoe County Library System 301 South Center Street, Reno, NV 89501-2102
- White Pine County Library 950 Campton Street, Ely, NV 89301-1965

Notice of Workshop to Solicit Comments on Proposed Regulations
Authority §§ 1-9, NRS 361.0775

The Nevada Commission on Economic Development, 108 East Proctor Street, Carson City, Nevada 89701, 775.687.4325 is proposing the adoption of regulations pertaining to Authority: §§ 1-9, NRS 361.0775 on April 9, 2007, at 2:00 p.m., Nevada Commission on Economic Development, 108 East Proctor Street, 1st Floor Conference Room, Carson City, Nevada.

The purpose of the workshop is to solicit comments from interested persons on the following general topics that may be addressed in the proposed regulations:

A regulation relating to the partial abatement from real property tax for certain new and existing 'core and shell' buildings and other structures that meet LEED certification or equivalent authority.

A copy of all materials relating to the proposal may be obtained at the workshop or by contacting the Nevada Commission on Economic Development, 108 East Proctor Street, Carson City, Nevada 89701, 775.687.4325.

This Notice of Workshop to Solicit Comments on Proposed Regulation has been sent to all persons on the agency's mailing list for administrative regulations and posted at the following locations.

- a. NCED, 108 East Proctor Street, Carson City, NV
- b. NCED, 555 East Washington Avenue, Las Vegas, NV
- c. Nevada State Library, 100 North Stewart St., Carson City, NV
- d. EDAWN, 5190 Neil Road, Suite 111, Reno, NV
- e. NDA, 6700 Via Austi Pkwy., Suite B, Las Vegas, NV
- f. Elko County, 569 Court Street, Elko, NV
- g. City of Fallon, 55 West Williams Avenue, Fallon, NV

NOTE (2) Persons with disabilities who require special accommodations or assistance at the meeting should notify Kimberly Elliott, Commission on Economic Development, 108 East Proctor Street, Carson City, NV 89701 or by calling 775-687-4325 in the north or Menyone Thomas, Commission on Economic Development, 555 East Washington Avenue, Las Vegas, NV 89101 or by calling 702-486-2700 on or before the close of business on April 6, 2007.

Notice of Workshop to Solicit Comments on Proposed Regulations
Authority §§ 1-9, NRS 361.0775

The Nevada Commission on Economic Development, 108 East Proctor Street, Carson City, Nevada 89701, 775.687.4325 is proposing the adoption of regulations pertaining to Authority: §§ 1-9, NRS 361.0775 on April 11, 2007, at 11:00 a.m., at 555 East Washington Avenue, Suite 5100, Governor's Conference Room, Las Vegas, Nevada.

The purpose of the workshop is to solicit comments from interested persons on the following general topics that may be addressed in the proposed regulations:

A regulation relating to the partial abatement from real property tax for certain new and existing 'core and shell' buildings and other structures that meet LEED certification or equivalent authority.

A copy of all materials relating to the proposal may be obtained at the workshop or by contacting the Nevada Commission on Economic Development, 108 East Proctor Street, Carson City, Nevada 89701, 775.687.4325.

This Notice of Workshop to Solicit Comments on Proposed Regulation has been sent to all persons on the agency's mailing list for administrative regulations and posted at the following locations.

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LCB File No. R002-07

**PROPOSED REGULATION OF THE
COMMISSION ON ECONOMIC DEVELOPMENT**

April 9, 2007

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

AUTHORITY: §§1-10, NRS 361.0775.

A REGULATION relating to real property taxes; providing for the partial abatement of real property taxes on property with buildings or other structures that meet or exceed certain standards of the Leadership in Energy and Environmental Design Green Building Rating System; and providing other matters properly relating thereto.

Section 1. Chapter 361 of NAC is hereby amended by adding thereto the provisions set forth as Sections 1 through 5, inclusive, of this regulation.

Sec. 2. NAC 361.617 is hereby amended by adding thereto the following language:

NAC 361.617 Definitions. (NRS 361.0775) As used in NAC 361.617 to 361.620, inclusive, unless the context otherwise requires, the words and terms defined in NAC 361.6175, 361.618 and 361.6185 have the meanings ascribed to them in those sections.

NAC 361.6175 “Commission” defined. (NRS 361.0775) “Commission” means the Commission on Economic Development.

NAC 361.618 “LEED” defined. (NRS 361.0775) “LEED” means Leadership in Energy and Environmental Design.

“Redevelopment Agency” defined. “Redevelopment Agency” has the meaning ascribed to it in NRS 279.386.

NAC 361.6185 “LEED Green Building Rating System” defined; availability of copies. (NRS 361.0775)

1. “LEED Green Building Rating System” means those portions of the Leadership in Energy and Environmental Design Green Building Rating System developed by the U.S. Green Building Council that are adopted by the Director of the Office of Energy or otherwise deemed to be appropriate for use in this State pursuant to NRS 701.217 and the regulations adopted pursuant thereto.

2. A copy of the LEED Green Building Rating System may be obtained at no cost from the U.S. Green Building Council, 1015 18th Street, N.W., Suite 508, Washington, D.C. 20036, or on the Internet at <http://www.usgbc.org/>.

Sec. 3. NAC 361.619 is hereby amended by adding thereto the following language:

NAC 361.619 **Application** to Commission; ineligible structures. (NRS 361.0775)

1. A person may apply to the Commission for a partial abatement of the taxes on real property payable each year pursuant to chapter 361 of NRS for property which has a building or other structure that:

(a) Is not a public building or structure; and

(b) Is not a single-family house, multifamily structure with three stories or fewer above grade, or a mobile or manufactured home.

2. The application must be made on a form prescribed by the Executive Director of the Commission.

3. The application:

(a) Must include a letter of verification from the Director of the Office of Energy which states that the real property for which the abatement is sought has a building or other structure that meets or exceeds the certification requirements for the abatement as set forth in NRS 361.0775 and NAC 361.620 and which sets forth the number of LEED points earned;

(b) ***Must list each parcel affected by the LEED points earned and to be included in the abatement by the assessor's parcel number (APN);***

~~(b)~~ (c) Must specify the desired term and amount of the abatement in accordance with the table set forth in NAC 361.620; and

~~(e)~~ (d) If the real property for which the abatement is sought is located in a redevelopment area created pursuant to chapter 279 of NRS, must include proof that the application has been submitted to the redevelopment agency or legislative body with jurisdiction over the redevelopment area.

Sec. 4. NAC 361.6195 is hereby amended by adding thereto the following language:

NAC 361.6195 Consideration of application at meeting of Commission; notice of meeting. (NRS 361.0775)

1. The Commission will consider an application for the partial abatement of property taxes:

(a) At the next regularly scheduled meeting of the Commission following receipt of the application if the application is received by the Commission at least 15 working days before the meeting; or

(c) At the next regularly scheduled meeting of the Commission following the meeting described in paragraph (a) in all other cases.

2. ***The Commission will, not less than 10 working days before a meeting at which it will consider an application for the partial abatement of property taxes, provide written notice of the date, time and location of the meeting to each county commission, school district, city, and redevelopment agency, as applicable, within whose jurisdiction the real property that is the subject of the application is located.***

Sec. 5. NAC 361.620 is hereby amended by adding thereto the following language:

NAC 361.620 Grant of abatement by Commission. (NRS 361.0775)

1. Except as otherwise provided in subsection 2, if the Commission determines that the application satisfies all requirements of NAC 361.617 to 361.620, inclusive, the Commission will grant a partial abatement of the taxes on real property payable each year pursuant to chapter 361 of NRS in accordance with the following table:

LEED Level	LEED-NC Points	LEED-EB Points	<i>LEED-CS Points</i>	Term of Abatement	Amount of Abatement
Silver	33 to 36	40 to 45	<i>28-31</i>	10 years	35 to 42 percent
				5 to 7 years	50 percent
	37 or 38	46 or 47	<i>32 or 33</i>	10 years	43 to 48 percent
				8 or 9 years	50 percent
Gold	39 or more	48 or more	<i>34 or more</i>	10 years	49 or 50 percent

2. The Commission will reduce the partial abatement of real property taxes authorized by subsection 1 to the extent necessary to ensure that:

(a) If the real property for which the partial abatement is sought is located in a redevelopment area created pursuant to chapter 279 of NRS, the partial abatement authorized by subsection 1 together with any partial abatement of taxes to which the owner of the property is entitled pursuant to NRS 361.4722, 361.4723 or 361.4724 does not exceed 82 percent of the assessed value of the property; and

(b) The partial abatement authorized by subsection 1 does not result in the inability of a local government to pay debt service on any obligation or of a redevelopment agency created pursuant to chapter 279 of NRS to pay any outstanding indebtedness.

3. If the Commission grants a partial abatement of real property taxes, the abatement applies beginning July 1 of the next following fiscal year, unless the applicant and the governing body of the local government whose tax revenue will be affected by the abatement agree upon a different date and the governing body provides written authorization for the different date.

4. Upon granting a partial abatement of real property taxes, the Commission will issue a certificate of eligibility for the abatement that sets forth all parcel numbers of the affected property and the percentage of the taxes on real property payable each year pursuant to chapter 361 of NRS and duration for which the abatement is granted.

5. As used in this section, unless the context otherwise requires:

(a) “LEED-EB” means the LEED Green Building Rating System for Existing Buildings, Upgrades, Operations and Maintenance; and

(b) “LEED-NC” means the LEED Green Building Rating System for New Construction & Major Renovations[=]; and

(c) “*LEED-CS*” means the *LEED Green Building Rating System for Core and Shell Development*.