

STAFF REPORT

Report To:	Board of Supervisors	Meeting Date:	May 20, 2021

Staff Contact: Hope Sullivan, Community Development; Dan Stucky, Public Works

Agenda Title: PUBLIC HEARING: For Discussion Only: Public hearing regarding the establishment of the South Carson Neighborhood Improvement District ("SCNID") to consider all complaints, protests and objections to the establishment of the SCNID pursuant to NRS 271.310. (Hope Sullivan, hsullivan@carson.org)

Staff Summary: Pursuant to NRS 271.310, any complaint, protest or objection to the propriety of acquiring or improving or acquiring and improving the project; the estimated cost of the project; the determination concerning the portion of the cost of the project to be paid by assessments; the method used to estimate the special benefits to be derived from the project generally or by any tract in the assessment area; the basis established for apportionment of the assessments; or the regularity, validity and correctness of any other proceedings or instruments taken, adopted or made before the date of the hearing shall be deemed waived unless presented in writing to the Clerk or Planning Division at least 3 days before the assessment hearing. The proposed SCNID assessment amount for Fiscal Year ("FY") 2022 is \$69,620, distributed between property owners as shown on the assessment roll in Exhibit A to the resolution, which is also Exhibit B to the ordinance establishing the SCNID.

Agenda Action: Other / Presentation

Time Requested: 10 minutes

Proposed Motion

No action; PUBLIC HEARING only.

Board's Strategic Goal

Economic Development

Previous Action

April 15, 2021: The Board of Supervisors adopted a resolution adopting a provisional order to establish the SCNID for the ongoing maintenance of the South Carson Street Complete Streets Project, fixing the time and place to hear protests regarding the establishment of the SCNID for May 20, 2021.

Background/Issues & Analysis

The South Carson Complete Streets project included full street improvements from 5th Street to Appion Way, as well as significant upgrades and expansion to critical utility infrastructure along the corridor. The purpose of the SCNID is to provide for the ongoing maintenance of sidewalks, landscaping, pedestrian and bike pathways, and other street furniture and amenities within the SCNID area. The assessment will not be used for roadway maintenance, which comes from other funding sources.

The property assessment consists of 50% weighting of parcel area and 50% weighting of frontage length. The total assessment to property owners in the first year will be \$69,620, which is the first-year base assessment

amount of \$119,620 minus \$50,000, the amount estimated to be collected in the first year for City right-of-way licenses along South Carson Street within the SCNID area. Refer to the attachments with the resolution and ordinance to establish the SCNID, which are following this item on this agenda, for more details on the proposed FY 2022 SCNID assessment for each property and other details regarding the annual SCNID assessment.

Notification of the SCNID establishment and procedures for making complaints, protests and objections were sent out to each property within the SCNID and published in accordance with NRS Chapter 271. As of May 7, 2021, when this staff report was submitted, no written protests had been received. Any protests received between May 7 and the Board of Supervisors meeting will be submitted to the Board when received.

If you have questions regarding this item, contact Hope Sullivan at 283-7922 or hsullivan@carson.org.

Applicable Statute, Code, Policy, Rule or Regulation

NRS Chapter 271

Financial Information

Is there a fiscal impact? Yes

If yes, account name/number: 2373050-500349 Contractual Services for payments. Revenue SCNID Assessment 2370083-415100.

Is it currently budgeted? Yes

Explanation of Fiscal Impact: The collection of the SCNID assessment is for the costs of supplemental improvements and services above and beyond those provided by the City, specifically ongoing garbage collection and sidewalk and landscaping maintenance. The City will continue to contribute its share of the costs per the ordinance establishing the SCNID.

<u>Alternatives</u>

N/A, Public Hearing only.

Attachments:

NID-2021-0118_5A.SCNID.Establishment.pdf

Board Action Taken:

1)_____

Aye/Nay

(Vote Recorded By)

RESOLUTION NO. 2021-R-8

A RESOLUTION ADOPTING A PROVISIONAL ORDER TO ESTABLISH THE SOUTH CARSON STREET NEIGHBORHOOD IMPROVEMENT DISTRICT TO PROVIDE FOR THE ONGOING MAINTENANCE OF THE SOUTH CARSON STREET COMPLETE STREETS PROJECT PURSUANT TO NRS CHAPTER 271.

WHEREAS, NRS 271.265 authorizes the City construct and maintain a "neighborhood improvement project;" and

WHEREAS, a neighborhood improvement project as defined in NRS 271.147 includes improvements such as landscaping, sidewalks, ramps and plazas, among other things, and a "project" as defined in NRS 271.175 includes maintaining the project; and

WHEREAS, NRS 271.280 establishes the procedures to establish a Neighborhood Improvement District for a provisional order by the Board of Supervisors; and

WHEREAS, the South Carson Street Complete Streets Project ("Project") was completed in 2020; and

WHEREAS, the Board of Supervisors ("Board") approved the Plan of Expenditure for the use of a one-eighth percent sales tax for commercial corridor improvements including South Carson Street, and the approved Plan of Expenditure includes provisions for maintenance of corridor improvements through a Neighborhood Improvement District assessment; and

WHEREAS, the Board estimates the total cost of maintenance of the Project to be \$141,860 in the first year, \$22,240 of which is to be paid by the City based on the current amount the City spends on such maintenance within the area and \$119,620 of which is established as the based assessment to the be paid by the benefitted parcels within the South Carson Neighborhood Improvement District ("SCNID"), and

WHEREAS, the Board has directed staff to apply right-of-way license fees that are collected by the City from properties within the SCNID towards the maintenance assessment obligation of \$119,620 for the benefitted parcels within the SCNID, which is estimated to be \$50,750, resulting in a special assessment of \$68,870 to be levied against the benefitted parcels within the SCNID in the first year of assessment.

NOW, THEREFORE, the Carson City Board of Supervisors does hereby resolve that:

1. The South Carson Neighborhood Improvement District is hereby provisionally ordered established in accordance with the provisions of NRS Chapter 271 and this Resolution, with the boundaries of SCNID as described in Exhibit A;

2. The total amount to be assessed to property owners within the SCNID in the first year (FY 2022) is \$119,620, 50 percent of which will be distributed among the properties within the SCNID based on the total square footage of the property relative to the total square footage of properties within the SCNID, and 50 percent of which will be distributed among the properties within the SCNID based on the properties' lineal frontage length abutting South Carson Street or abutting a City right-of-way property fronting on South Carson Street relative to total property frontage of all properties within the SCNID abutting South Carson Street;

3. The total annual maintenance cost estimate to be assessed to the property owners as described in paragraph 2 above shall be reduced each year by the projected amount that will be collected through City right-of-way licensing agreements for City real property, easements, or other interests comprising right-of-way adjacent to properties located within the SCNID for the fiscal year in which the assessment is collected. After this reduction in total assessment is calculated, the assessment shall be distributed among each property within the SCNID in accordance with formula described in paragraph 2 above and more specifically described for FY 2022 in Exhibit B.

4. The SCNID assessment, including the amounts assessed to the property owners and the City's contribution share, shall increase each year by the Consumer Price Index for *All Urban Consumers* ("<u>CPI</u>") – All Items (1982-1984=100), as published by the U.S. Department of Labor, Bureau of Labor Statistics for the twelve month period ending December 31 next preceding the year for which the increase is being calculated, or by 5%, whichever is less. This assessment amount shall be the "base assessment" for each year. An assessment shall not decrease from the prior year if the CPI is negative for an evaluated period;

5. Notwithstanding the provisions in subparagraph 4 above for annual assessment increases, the annual property owners' assessment shall be reduced if actual maintenance costs are less than the amount collected and a reserve of not less than 20 percent is projected to be maintained. For the purposes of the fund reserves calculation, maintenance costs and revenues shall be projected each year for the following fiscal year and not less than four years following the next fiscal year, and maintenance costs shall include projections for periodic maintenance that does not occur annually, such as pathway crack sealing. If after the projected period a reserve of more than 20 percent of the average annual maintenance cost is projected to be maintained, the property owners' assessment shall be reduced to an amount that results in a projected 20 percent reserve at the end of the projected assessment period. The City's contribution to the SCNID shall continue to increase in accordance with subparagraph 4 above, and the base assessment value shall continue to be calculated each year in accordance with subparagraph 4 above regardless of whether the actual assessment is increased in any given year;

6. The SCNID assessment shall be paid by each property owner in conjunction with the owner's property taxes for the year, divided into quarterly payments. Penalties and interest for delinquent amounts will be calculated in the same manner as for real property taxes. The assessment amount shall constitute a lien upon an assessed property and have the same priority as a lien for property taxes;

7. The City shall prepare the annual assessment estimate to be considered by the Board of Supervisors in conformance with the requirements of NRS Chapter 271. After the assessment is confirmed, the Clerk's Office shall submit the list of parcel numbers and the assessed amount for each property to the Carson City Treasurer. The Treasurer is authorized to reduce or waive the amount for good cause pursuant to NRS 361.483 and NRS 361.4835;

8. In the second year of assessment and all subsequent years, Carson City must itemize and document the alleged increased maintenance costs by spreadsheet and corroborating documentation, which may include actual costs of maintenance or the cost of contracting the maintenance to a private company, as applicable;

9. The City shall establish a procedure for obtaining a hardship determination based on a property owner's ability to pay the assessment pursuant to NRS 271.357;

10. The Project improvements that are to be maintained through the SCNID assessment are shown in Exhibit C;

11. The Project improvements will be maintained in accordance with the maintenance plans described in Exhibit D;

12. The assessments to be made upon all parcels benefited by the project as described in this Resolution are hereby declared to be proportional to the benefits received;

13. May 20, 2021, is hereby set as the date on which the owners of tracts to be assessed, or any other interested persons, may appear before the Board of Supervisors at its regular meeting beginning at 8:30 a.m. in the Community Center, Robert "Bob" Crowell Board Room, 851 E. William Street, to be heard as to the propriety and advisability of acquiring or improving, or acquiring and improving, the project or projects provisionally ordered in accordance with NRS 271.305;

14. This provisional order and resolution establishing the SCNID shall be furnished to the Clerk-Recorder and filed, recorded and numbered in the office of the Clerk-Recorder; and

15. The officers and employees of Carson City are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this provisional order and resolution.

Upon motion by Supervisor Stacey Giomi, seconded by Supervisor Stan Jones, the foregoing Resolution was passed and adopted this 15th day of April 2021, by the following vote:

AYES:

Supervisor Stacey Giomi Supervisor Stan Jones Supervisor Maurice White Supervisor Lisa Schuette Mayor Lori Bagwell

NAYES: ABSENT: ABSTAIN: None None None

LORI BAGWELL, Mayor Carson City, Nevada

ATTEST:

BREY ROWLATT, Clerk-Recorder

<u>NOTICE OF PUBLIC HEARING #1</u> South Carson Neighborhood Improvement District Establishment (Also see Notice #2 on reverse side.)

You are receiving this notice in accordance with NRS Chapter 271 because you are an owner of property located within the proposed Carson City South Carson Neighborhood Improvement District ("SCNID"), and your property may be subject to an assessment to help pay for the South Carson Street Complete Streets Project maintenance.

You are hereby notified that the Carson City Board of Supervisors will conduct a public hearing on Thursday, May 20, 2021, beginning at 8:30 a.m. regarding the establishment of the Carson City South Carson Neighborhood Improvement District ("SCNID"). The meeting will be held in the Carson City Community Center, Robert "Bob" Crowell Board Room, 851 East William Street, Carson City, Nevada.

The purpose of SCNID is to assess the property owners within the SCNID to help pay for the ongoing maintenance of sidewalks, pathways, landscaping and associated amenities that are part of the recently completed South Carson Street Complete Streets Project. The project is a "neighborhood improvement project" as defined in NRS 271.147. The estimated first-year cost of maintenance is \$141,860, with \$22,240 to be paid by Carson City, \$50,750 to be using City right-of-way licensing fees collected from properties within the SCNID, and \$68,870 to paid through an assessment of the property owners within the SCNID. In order to assess property owners in proportion to the benefit received from the project improvements, 50% of the property owners' assessment will be distributed among the owners based on the properties' lineal frontage length abutting South Carson Street or abutting a City right-of-way property fronting on South Carson Street, and 50% of the property owners' assessment will be distributed among the owners based on the parcel size. The assessments will be included in the property tax bill, payable in quarterly installments when property tax payments are due. Interest on unpaid assessment installments is charged by the Assessor at a rate of 4% if the first installment becomes delinquent, 5% for the second installment, 6% for the third installment and 7% for the last installment. The improvements to be maintained are located within the SCNID boundaries, which generally encompass the properties along S. Carson Street from 5th Street to the I-580 freeway to the south, and properties within that area between S. Carson Street and Curry Street/Cochise Street and properties on the west side of S. Carson Street, more specifically defined in the SCNID boundary map available at www.carson.org/planning. A description of the tracts to be assessed, the maximum amount of benefits estimated to be conferred on each such tract and all proceedings in the premises are contained in the provisional order and resolution for the SCNID approved by the Board of Supervisors on April 15, 2021, and is on file and can be examined at the Clerk's Office, the Planning Division office or downloaded from www.carson.org/planning.

All written objections to the project must be filed with the Clerk's Office or Planning Division at least 3 days before the time set for the hearing. A person should object to the formation of the district using the procedure outlined in this notice if the person's support for the district is based upon a statement or representation concerning the project that is not contained in the language of the notice. If a person objects to the amount of maximum benefits estimated to be assessed or to the legality of the proposed assessments in any respect: (1) The person is entitled to be represented by counsel at the hearing; (2) Any evidence the person desires to present on these issues must be presented at the hearing; and (3) Evidence on these issues that are not presented at the hearing may not thereafter be presented in an action brought pursuant to NRS 271.315. A person who owns or resides within a tract in the proposed improvement district may file a protest to inclusion in the assessment plat pursuant to NRS 271.392. Pursuant to NRS 271.306, if written remonstrances by the owners of tracts constituting one-third or more of the basis for the computation of assessments for the neighborhood improvement project are presented to the Board of Supervisors, the Board of Supervisors shall not proceed with the neighborhood improvement project.

<u>NOTICE OF PUBLIC HEARING #2</u> South Carson Neighborhood Improvement District Assessment (Also see Notice #1 on reverse side.)

You are receiving this notice in accordance with NRS Chapter 271 because you are an owner of property located within the Carson City South Carson Neighborhood Improvement District ("SCNID"), and your property is subject to an assessment to help pay for the South Carson Street Complete Streets Project maintenance.

You are hereby notified that the Carson City Board of Supervisors will conduct a public hearing on Thursday, May 20, 2021, beginning at 8:30 a.m. regarding the SCNID assessment, as further described below. The meeting will be held in the Carson City Community Center, Robert "Bob" Crowell Board Room, 851 East William Street, Carson City, Nevada. Please refer to the published agenda at www.carson.org/agendas prior to the meeting for more information regarding the placement of the item on the agenda.

In accordance with the provisions of NRS Chapter 271, the estimated assessment for the SCNID was approved by the Board of Supervisors on April 15, 2021 and filed with the Carson City Clerk-Recorder. A copy of the proposed assessment roll for each property and SCNID boundary map can be obtained from the Carson City Planning Division at 108 E. Proctor Street or downloaded from the Planning Division webpage at <u>www.carson.org/planning</u>. The estimated assessment for FY 2022 is as follows:

Total FY 2022 maintenance cost estimate:	\$141,860
City's share of costs:	\$ 22,240
Property owners' share of costs:	\$119,620
City right-of-way license fees credited to owners' costs:	\$ 50,000
Total estimated FY 2022 property owners' assessment:	\$ 69,620

The Board of Supervisors will hear all complaints, protests and objections made in writing or verbally regarding the assessment roll or the proposed assessments at the public hearing on May 20, 2021. Any complaint, protest or objection to the regularity, validity and correctness of the assessment roll, of each assessment, and of the amount of the assessment levied on each parcel must be filed in writing with the City Clerk, Planning Division office (108 E. Proctor Street, Carson City NV 89701), or City Hall Executive Offices at least 3 days before the assessment hearing. Any complaint, protest or objection to the assessment roll, the regularity, validity and correctness of each assessment, the amount of each assessment, or the regularity, validity and correctness of any prior proceedings occurring regarding the SCNID, shall be deemed waived unless filed in writing within the time and in the manner provided above. If a person objects to the assessment roll or to the proposed assessments, the person is entitled to be represented by counsel at the hearing. Any evidence the person desires to present on these issues must be presented at the hearing, and evidence on these issues that is not presented at the hearing may not thereafter be presented in an action brought pursuant to NRS 271.395.

You may qualify for a Hardship Determination to defer your assessment if your annual household income is less than 50% of the Carson City area median income. An application for Hardship Determination may be obtained from and submitted to the Carson City Health and Human Services Department, 900 E. Long Street, Carson City. Hardship Determination applications will also be considered by the Board of Supervisors at the above-noted meeting on May 20, 2021. (Note: Approval of a Hardship Determination defers the requirement to pay the SCNID assessment but does not eliminate the requirement.)

For further information regarding the SCNID, please go to <u>www.carson.org/planning</u> or contact Hope Sullivan, Planning Manager, at (775) 283-7922.