

**Douglas County Board of County Commissioners**

**AGENDA ACTION SHEET**

**Title:** For possible action. Discussion to approve submission of the Redevelopment Plan for Redevelopment Area No. 2 within the Lake Tahoe Basin area of Douglas County and the accompanying report and proposed redevelopment rules from the Douglas County Redevelopment Agency pursuant to NRS 279.578. (Zach Wadlé)

**Recommended Motion:** Approve submission of the Redevelopment Plan for Redevelopment Area No. 2 within the Lake Tahoe Basin area of Douglas County and accept the accompanying report and proposed redevelopment rules from the Douglas County Redevelopment Agency pursuant to NRS 279.578.

**Financial Impact:** Beginning in fiscal year 2016-17, incremental property tax increases for properties within the redevelopment area will be diverted from the receiving taxing agencies, including Douglas County, to the redevelopment agency for redevelopment purposes within the redevelopment area. Net tax increment over the 30-year life of the redevelopment area is estimated to total \$47.2 million in current (2016) dollars. See the Redevelopment Plan Report and Proposed Method of Financing and Economic Feasibility section in the previous redevelopment agenda item for additional information.

**Prepared by:** Zach Wadle

**Meeting Date:** January 21, 2016      **Time Required:** 10 minutes

**Agenda:** Administrative

**Background Information:** On October 15, 2015, the Board approved Resolution 2015R-068 designating Redevelopment Area No. 2 within the Lake Tahoe Basin area of Douglas County for evaluation for redevelopment pursuant to NRS Chapter 279. On November 10, 2015, the Douglas County Planning Commission selected Redevelopment Area No. 2 for further redevelopment evaluation, found that the preliminary redevelopment plan for Redevelopment Area No. 2 was sufficient under NRS 279.526, and directed that the preliminary redevelopment plan be submitted to the Douglas County Redevelopment Agency for review pursuant to NRS 279.528. On November 19, 2015, the Douglas County Redevelopment Agency adopted a more detailed redevelopment plan for Redevelopment Area No. 2 and submitted the proposed redevelopment plan to the Planning Commission for its report and recommendation as to the plan's conformity with the Douglas County Master Plan and other related planning documents. On December 8, 2015, the Planning Commission unanimously adopted a Report and Recommendation approving the Redevelopment Plan for Redevelopment Area No. 2 and

submitted its Report and Recommendation to the Douglas County Redevelopment Agency.

The next step in the process of forming a Redevelopment Area and adopting a Redevelopment Plan requires the Douglas County Redevelopment Agency to submit the Redevelopment Plan and an accompanying Report to the Board in compliance with NRS 279.578 detailing: 1) the reasons for the selection of the redevelopment area; 2) a description of the physical, social and economic conditions existing in the area; 3) a description of the proposed method of financing the redevelopment plan in sufficient detail so that the legislative body (County Commissioners) may determine the economic feasibility of the plan; 4) a method or plan for the relocation of persons and families temporarily displaced from housing facilities in the redevelopment area; 5) an analysis of the preliminary plan; and 6) the report and recommendations of the Planning Commission. The Redevelopment Plan is attached as **Exhibit A**. The statutorily required Redevelopment Plan Report prepared by retained consultants Bender & Associates, which includes the statutorily required proposed redevelopment rules, is attached as **Exhibit B**. The Redevelopment Plan and Report are in compliance with the requirements of Nevada law and the Board is asked to accept the submission of these documents from the Douglas County Redevelopment Agency.

**Agenda Item #**



**DOUGLAS COUNTY, NEVADA**

**REDEVELOPMENT PLAN**

**REDEVELOPMENT AREA NO. 2**

NOVEMBER 19, 2015

Prepared by the  
DOUGLAS COUNTY REDEVELOPMENT AGENCY



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## INTRODUCTION

This is the Redevelopment Plan (the “Plan”) for Redevelopment Area Number 2 (the “Redevelopment Area”), which is located in the territorial jurisdiction of Douglas County, Nevada (the “County”) generally in the Stateline, Nevada area and depicted in the Map attached as Exhibit “A”.

This Plan has been prepared pursuant to Nevada Revised Statutes (NRS) Chapter 279 which provides for the exercise of redevelopment authority by a redevelopment agency.

Implementation of this Plan by the County and the Redevelopment Agency of the County is governed by the provisions contained in this Plan as it may be amended from time to time. The definitions of general terms which are contained in the Nevada Revised Statutes govern the construction of this Plan, unless more specific terms and definitions are otherwise provided in this Plan. All statutory references hereinafter shall be to the Nevada Revised Statutes.

Many of the requirements contained in this Plan are necessitated by, and in accord with, statutory provisions in effect at the time of adoption of this Plan. Such statutory provisions may be changed from time to time. In the event that any such changes affect this Plan’s requirements, and would be applicable to the Agency, the Redevelopment Area, or this Plan, whether or not this Plan is formally amended to reflect such changes, then the requirements of this Plan that are so affected shall be superseded by such statutory changes, to the extent necessary to be in conformity with such changes.

The Redevelopment Area includes all properties indicated on the Redevelopment Area Map attached as Exhibit A.

The proposed redevelopment of the Redevelopment Area as described in this Plan conforms to and is governed by the Douglas County Master Plan and documents referenced or incorporated by the Master Plan as applicable, including the Tahoe Regional Planning Agency (“TRPA”) Regional Plan updated in December 2012, the South Shore Area Plan (“SSAP”) adopted by TRPA on September 25, 2013, and the Draft Tahoe Douglas Area Plan (“TDAP”).

This Redevelopment Plan is based upon the Preliminary Plan formulated and adopted by the Douglas County Planning Commission (the “County Planning Commission”) on November 10, 2015.

This Plan provides the Agency with powers, duties and obligations to implement and further the program generally formulated in this Plan for the redevelopment, rehabilitation, and revitalization of the Redevelopment Area. This Plan does not present a specific plan or establish priorities for specific projects for the redevelopment, rehabilitation, and revitalization of any particular area within the Redevelopment Area. Instead, this Plan presents possible methods for revitalization which are designed to reduce and eliminate decline, deterioration, and obsolescence, stimulate new investment, stabilize the tax base, and maintain the viability of existing businesses within the Redevelopment Area. This Plan will also provide a basic framework within which specific (re)development plans will be presented and priorities for specific projects will be established. The Plan is intended to provide the Agency tools to fashion, develop, and proceed with such specific plans, projects and solutions for the Redevelopment Area.



**In general, the goals and objectives of the redevelopment program in the Redevelopment Area are as follows:**

1. To eliminate and prevent the spread of blight and deterioration and the conservation, rehabilitation and redevelopment of the Redevelopment Area in accord with the Master Plan and other applicable planning documents, the Redevelopment Plan and local codes and ordinances.
2. To achieve an environment reflecting a high level of concern for architectural, landscape, and urban design, land use, and environmental improvement principles appropriate for attainment of the objectives of the Redevelopment Plan.
3. To minimize unplanned growth by guiding revitalization activities and new development in such fashion as to meet the needs of the Redevelopment Area, the County and its citizens.
4. To retain existing businesses by means of redevelopment and rehabilitation activities and by encouraging cooperation and participation of owners, businesses and public agencies in the revitalization of the Redevelopment Area.
5. To encourage investment by the private sector in the development and redevelopment of the Redevelopment Area by eliminating impediments to such development and redevelopment.
6. To encourage maximum participation of residents, businesspersons, property owners, and community organizations in the redevelopment of the Redevelopment Area.
7. To replan, redesign and (re)develop areas which are stagnant, obsolete, or improperly used.
8. To insure adequate utility capacity to accommodate redevelopment, new development, and environmental goals and projects within the Redevelopment Area.

**Redevelopment of the Redevelopment Area pursuant to this Redevelopment Plan and the above goals and objectives will attain the purposes of the NRS Chapter 279 by:**

1. Elimination of areas suffering from economic dislocation, and disuse in affected areas;
2. Re-planning, redesign and/or redevelopment of areas which are stagnant or improperly utilized, in ways which could not be accomplished solely by private enterprise without public participation and assistance;
3. Protection and promotion of sound development and redevelopment of blighted areas and the general welfare of the citizens of the County by remedying such injurious conditions through the employment of appropriate means;
4. Installation of new, or replacement of existing public improvements, facilities, parks and/or other recreation facilities, and utilities in areas which are currently inadequately served with regard to such improvements, facilities and utilities; and
5. Other means as determined appropriate.

## GENERAL DEFINITIONS AND REDEVELOPMENT AREA BOUNDARY

### General Definitions

The following definitions are used in this Plan unless otherwise indicated by the text:

1. "Agency" means the Douglas County Redevelopment Agency, Nevada.
2. "County" means Douglas County, Nevada.
3. "County Commission" means the Douglas County Board of County Commissioners.
4. "Community Redevelopment Law" means the Community Redevelopment Law of the State of Nevada within NRS Chapter 279.
5. "Redevelopment Area" means the area included within the boundaries of the Redevelopment Area, as established by this Plan and as depicted and described in the map attached hereto as Exhibit A.
6. "Legislative Body" means the Douglas County Board of County Commissioners.
7. "NRS" means the Nevada Revised Statutes for the State of Nevada.
8. "State" means the State of Nevada.
9. "Plan" means the Redevelopment Plan for Redevelopment Area No. 2 in Douglas County, Nevada.

### Redevelopment Area Boundary

The boundaries of the Redevelopment Area are shown on the Redevelopment Area Map attached as Exhibit "A".

## PROPOSED REDEVELOPMENT ACTIVITIES

**The Agency proposes to eliminate and prevent the spread of blight and blighting influences, and strengthen the economic base of the Redevelopment Area and the County, by some or all of the following:**

1. Permitting participation in the redevelopment process by owners and occupants of properties located in the Redevelopment Area, consistent with this Plan and rules adopted by the Agency;
2. Acquisition of real property;
3. Management of property under the ownership and/or control of the Agency;
4. Relocation assistance to displaced occupants of property acquired by the Agency in the Redevelopment Area;
5. Demolition of property for uses in accordance with this Plan;
6. Redevelopment of land by private enterprise and public agencies for uses in accordance with this Plan;
7. Rehabilitation of structures and improvements by present owners, their successors, and the Agency;
8. Provision, maintenance, and/or enhancement of utilities, roads, streets, landscaping, parking facilities, stormwater and drainage facilities, and other public improvements; and
9. Consideration of the implementation of appropriate land use controls or regulations within the Redevelopment Area.

In the accomplishment of these activities, and in the implementation and furtherance of this Plan, the Agency is authorized to use all the powers provided in this Plan and all the powers to the extent now or hereafter permitted by law Nevada law.

## Owner Participation and Business Reentry Preferences

### Owner Participation

1. Pursuant to NRS 279.566, owners of real property within the Redevelopment Area shall be extended reasonable opportunities to participate in the redevelopment of property in the Redevelopment Area if such owners agree to participate in the redevelopment in conformity with this Redevelopment Plan and the owner participation implementation rules adopted by the Agency. These owner participation opportunities will be explained in more detail in the Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences for



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Property Owners in the Redevelopment Area contained in the Report later presented to the County Commission.

2. In appropriate circumstances where such action would foster the goals and objectives contemplated by the Redevelopment Plan, an owner may participate in substantially the same location either by retaining all or portions of his property; retaining all or portions of his property and purchasing adjacent property if needed and available for (re)development; rehabilitating or demolishing all or part of his existing buildings; initiating new development; or selling property to the Agency.

**Participation opportunities shall necessarily be subject to and limited by factors including but not limited to the following:**

1. The elimination and/or modification, if any, of existing land uses;
2. The construction, vacation, realignment and/or alteration, if any, of existing streets;
3. The ability of participants to finance and complete proposed developments and rehabilitations;
4. The capability and/or experience of the owner participant, as determined by the Agency, to implement the proposed development;
5. The proposed land uses for redevelopment of the Redevelopment Area;
6. Intensification of certain land uses; and
7. The construction or expansion of public facilities.

### Participation by Tenants

1. Non-property owners who are tenants engaged in business or residing in the Redevelopment Area may be extended reasonable preferences if they wish to purchase property at their present location for the purpose of rehabilitating and/or expanding existing improvements or to build new improvements in conformance with the designated land uses and other requirements of this Plan. However, the preference provided to such business or residential tenants will be subordinate to, or follow, the preference provided to the existing property owners.
2. Businesses and residential tenants may also submit proposals for rehabilitation and/or new development at locations other than their existing location, as long as said property conforms to the Plan. However, no preference shall be provided to business and/or tenants for this type of proposal.

### Participation Agreements

1. The Agency may require that, as a condition of participating in redevelopment, each participant shall enter into a binding written participation agreement with the Agency by which the



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participant agrees to rehabilitate, develop or use the property in conformance with this Plan and to be subject to the provisions hereof and such other provisions and conditions to which the parties may agree. In such agreements, participants who retain real property may be required to make the provisions of this Plan and such participation agreement applicable to their properties.

2. If an owner fails to participate in the redevelopment under a participation agreement or breaches the agreement, the Agency shall have the right to acquire the subject property for redevelopment by any legal means permitted under the law and the provisions of this Plan. If so provided in the participation agreement, the price of such acquisition will be the property's fair market value at the time of execution of the participation agreement. Whether or not a participant enters into a participation agreement with the Agency, the provisions of this Plan are applicable to all public and private property in the Redevelopment Area.

### Implementing Rules

The Owner Participation provisions shall be implemented according to the rules adopted by the Agency simultaneous with the final adoption of this Plan by the County Commission, and as the same may be from time to time amended by the Agency. Where there is a conflict between the participation provisions in this Plan and such rules adopted by the Agency, the Plan shall prevail.

### Property Acquisition

1. Acquisition of Real Property
  - A. In accordance with NRS 279.576, the Agency may acquire, but is not required to acquire, any real property located in the Redevelopment Area by gift, purchase, lease, or condemnation.
  - B. The Agency may exercise the power of eminent domain to acquire property for a redevelopment project if: (a) The property sought to be acquired is necessary to carry out this Plan; and (b) The Agency has made reasonable effort to negotiate in good faith the purchase of the property. The method the Agency would use to acquire property through eminent domain is subject to statutory requirements, including NRS 279.421 and 279.4712, and as set forth in the Agency's Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences To Property Owners in the Redevelopment Area.
  - C. The Agency is authorized to acquire structures without acquiring the land upon which those structures are located. The Agency is also authorized to acquire any other interest in real property less than a fee interest.
2. Acquisition of Personal Property

Generally, personal property may not be acquired by the Agency. However, where necessary in the execution of this Plan, the Agency is authorized to acquire personal property in the Redevelopment Area by any lawful means. The Agency may also acquire by gift, purchase, lease

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or condemnation any personal property in connection with real property acquired by the Agency.

### Property Management

In accordance with NRS 279.470, the Agency is authorized to manage and control all real property acquired by it. Such property may be rented or leased by the Agency, and such rental or lease shall be in conformity with this Plan.

### Relocation of Persons (Including Individuals and Families), Business Concerns and Others Displaced by the Project

#### 1. Assistance in Finding Other Locations

As may be required by applicable law, the Agency may assist all persons, business concerns, and others displaced by Agency action in the Redevelopment Area in finding other locations and facilities. In order to carry out the Redevelopment Plan with a minimum of hardship to persons, business concerns, and others, if any, displaced from their respective places of residence or businesses, the Agency may assist such persons, business concerns and others in finding new locations that are decent, safe, sanitary, within their respective financial means, in reasonably convenient locations, and otherwise suitable to their respective needs.

#### 2. Relocation Payments

As may be required by applicable law, the Agency may make relocation payments for moving expenses and direct losses of personal property to persons, business concerns, and others displaced by Agency action in the Redevelopment Area and shall make additional relocation payments as may be required by law. Such relocation payments shall be made pursuant to Chapter 342 of Nevada Revised Statutes. The Agency, at its option, may make such other payments as may be appropriate and for which funds are available.

### Demolition, Clearance, Public Improvements, Building and Site Preparation

#### 1. Demolition and Clearance

The Agency is authorized to demolish and clear buildings, structures, and other improvements from any real property acquired in the Redevelopment Area as necessary to carry out the purpose of this Plan.

### Public Improvements

The Agency is authorized to install and construct, or to cause to be installed and constructed, the public improvements, facilities and utilities necessary to carry out this Plan. Such public improvements, facilities and utilities include, but are not limited to the following:

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1. Sewers;
2. Storm drains and related drainage facilities;
3. Electrical, natural gas, telephone and water distribution systems;
4. Parks, plazas, entertainment venues, amphitheaters;
5. Playgrounds;
6. Parking and transportation facilities;
7. Landscaped areas;
8. Street and circulation improvements;
9. Flood control improvements and facilities;
10. Entryway features;
11. Recreational improvements; and
12. Other public facilities serving the needs of Redevelopment Area occupants.

### Preparation of Building Sites

The Agency is authorized to prepare, or cause to be prepared, as building sites, any real property in the Redevelopment Area owned or acquired by the Agency.

### Property Disposition and Development

1. General
  - A. For the purposes of this Plan, the Agency is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest in real property. The Agency is authorized to dispose of real property by negotiated lease, sale, or transfer without public bidding but only after a public hearing, notice of which shall be given by publication for not less than once a week for two weeks in a newspaper of general circulation published in Douglas County.
  - B. A lease or sale by the Agency of real property acquired by it in the Redevelopment Area shall be conditioned on the redevelopment and use of the property in conformity with this Plan.



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- C. All real property acquired by the Agency in the Redevelopment Area may be sold or leased to public or private persons or entities for development for the uses permitted in this Plan, and any such sale or lease may be for an amount at less than fair market value if necessary to effectuate the purposes of this Plan. Real property may also be conveyed by the Agency to the County, and, where beneficial to the Redevelopment Area, to any other public body without charge or for an amount at less than fair market value.
  - D. All purchasers or lessees of property from the Agency may be made obligated to use the property for the purposes designated in this Plan, to begin and complete development of the property within a period of time which the Agency fixes as reasonable, and to comply with other conditions which the Agency deems necessary to carry out the purposes of this Plan.
2. Disposition and Development Documents
- A. The Agency shall reserve powers and controls in disposition and development documents as may be necessary to prevent transfer, retention, or use of property for speculative purposes and to ensure that development is expeditiously carried out pursuant to this Plan.
  - B. To provide adequate safeguards to ensure that the provisions of this Plan will be carried out and to prevent the recurrence of blight, all real property sold, leased, or conveyed by the Agency, as well as all property subject to participation agreements, shall be made subject to the provisions of this Plan and any adopted Design Guidelines and other conditions imposed by the Agency by leases, deeds, contracts, agreements, declarations of restrictions, provisions of the zoning ordinance, conditional use permits, or other means. Where appropriate as determined by the Agency, such documents or portions thereof shall be recorded in the Office of the Recorder of Douglas County.
  - C. The leases, deeds, contracts, agreements, and declarations of restrictions may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, or any other provision necessary to carry out this Plan.
3. Development Plans
- All development plans (whether public or private) shall be processed in the manner provided by applicable County codes, as they are, or as they may be, amended from time to time. All development in the Redevelopment Area must conform to County (as appropriate) and Agency design review procedures, including any Design Guidelines adopted by the Agency.
4. Personal Property Disposition
- For the purposes of this Plan, the Agency is authorized to lease, sell, exchange, transfer, assign, pledge, encumber, or otherwise dispose of personal property which is acquired by the Agency.

### Cooperation with Public Bodies

**For the purpose of aiding and cooperating in the planning, undertaking, construction or operation of redevelopment projects located within the area in which it is authorized to act, any public body, upon the terms and with or without consideration as it determines, may:**

1. Dedicate, sell, convey or lease any of its property to the Agency.
2. Cause parks, playgrounds, recreational, community, educational, water, sewer or drainage facilities, or any other works which it is otherwise empowered to undertake, to be furnished adjacent to or in connection with a redevelopment plan.
3. Furnish, dedicate, close, pave, install, grade, regrade, plan or replan streets, roads, roadways, alleys, sidewalks or other places which it is otherwise empowered to undertake.
4. Plan or replan, zone or rezone any part of such area and make any legal exceptions from building regulations and ordinance.
5. Enter into agreements with the federal government respecting action to be taken by such public body pursuant to any of the powers granted by NRS Chapter 279, inclusive. Such agreements may extend over any period, notwithstanding any law to the contrary.
6. Purchase or legally invest in any of the bonds of the Agency and exercise all of the rights of any handler of such bonds.

The Agency, by law, is not authorized to acquire real property owned by public bodies without the consent of such public bodies. The Agency, however, will seek the cooperation of all public bodies which own or intend to acquire property in the Redevelopment Area. Any public body which owns or leases property in the Redevelopment Area will be afforded all the privileges of owner participation if such public body is willing to enter into a participation agreement with the Agency. All plans for development of property in the Redevelopment Area by a public body shall be subject to Agency approval.

### Development Financing by the Agency or Other Public Bodies or Entities

The Agency may, with the consent of the Legislative Body, pay all or part of the value of the land for, and the cost of the construction of, any building, facility, structure or other improvement and the installation of any improvement which is publicly or privately owned and located within the redevelopment area. Before the Legislative Body may give its consent, it shall determine that:

1. The buildings, facilities, structures or other improvements are of benefit to the Redevelopment Area or the immediate neighborhood in which the Redevelopment Area is located; and
2. No other reasonable means of financing those buildings, facilities, structures or other improvements are available.

3. Those determinations by the Agency and the Legislative Body are final and conclusive.
4. If the value of the land or the cost of the construction of that building, facility, structure or other improvement, or the installation of any improvement has been, or will be, paid or provided for initially by the community or other governmental entity, the Agency may enter into a contract with that community or governmental entity under which it agrees to reimburse the community or governmental entity for all or part of the value of that land or the cost of the building, facility, structure or other improvement, or both, by periodic payments over a period of years. The obligation of the Agency under that contract constitutes an indebtedness of the Agency which may be payable out of taxes levied and allocated to the Agency under paragraph (b) of subsection 1 of Nevada Revised Statutes 279.676, or out of any other available money.

### Employment Plan

In accordance with NRS 279.482, the Agency shall, as it determines to be appropriate, require that a proposal for a redevelopment project include an employment plan which includes:

1. A description of the existing opportunities for employment within the Redevelopment Area;
2. A projection of the effect that the redevelopment project will have on opportunities for employment within the Redevelopment Area; and
3. A description of the manner in which an employer relocating his business into the Redevelopment Area plans to employ persons living within the area of operation who are:
  - A. Economically disadvantaged;
  - B. Physically handicapped;
  - C. Members of racial minorities;
  - D. Veterans; or
  - E. Women.



## LAND USES AND DEVELOPMENT REQUIREMENTS

### Redevelopment Area Map and Major Redevelopment Area Land Uses

The Redevelopment Area Map attached hereto as Exhibit "A" illustrates the location of the Redevelopment Area parcel boundaries and identifies the major streets within the Redevelopment Area. The Master Plan and related planning documents designate the major land uses authorized within the Redevelopment Area. The County will from time to time update and revise its Master Plan. It is the intention of this Redevelopment Plan that the County's Master Plan and all associated and incorporated planning documents, as it currently exists, or as they may from time to time be amended, and as implemented and applied by County ordinances, resolutions and other laws be used as a guide to long range planning and redevelopment of the Redevelopment Area. The major land uses authorized within the Redevelopment Area by the Master Plan are described below:

#### Major Land Uses

Major land uses permitted within the Redevelopment Area include:

- Residential
- Commercial
- Public/Semipublic
- Park/Open Space

The preceding uses may be used for any of the various kinds of uses specified for or permitted within such areas by the Master Plan, as it currently exists or as it may be amended from time to time.

#### Other Land Uses

1. Public Rights-of-Way and Layout of Streets
  - A. Major public streets and their layout within the Redevelopment Area are detailed on the Redevelopment Area Map as Exhibit "A" and are listed as follows:
    - U.S. Highway 50 (terminating at the California State line)
    - Kahle Drive
    - Lake Parkway
    - Stateline Avenue
  - B. Additional public streets, alleys and easements may be created in the Redevelopment Area as needed for proper use and/or development. Existing streets and alleys may be abandoned, closed or modified as necessary for proper use and/or development.
  - C. Any changes in the existing street layout shall be in accord with the County's Master Plan, and all other applicable planning documents.

## 2. Conforming Properties

Without the consent of the owner, the Agency shall not acquire any real property on which an existing building is to be continued on its present site and in its present form and use unless an existing building requires structural alteration, improvement, modernization or rehabilitation, or the site or lot on which the building is situated requires modification in size, shape or use, or it is necessary to impose upon such property any of the standards, restrictions and controls of this Plan. The Agency may acquire such property if the owner refuses to enter into a participation agreement or Disposition and Development Agreement or fails to redevelop the property or otherwise carry out the provisions of such agreement.

## 3. Interim Uses

Pending the ultimate development of land by developers and participants, the Agency is authorized to use or permit the use of any land in the Redevelopment Area for interim uses not in conformity with the uses permitted in this Plan. Such interim use shall conform to all applicable County codes and planning documents.

## 4. Nonconforming Uses

- A. The Agency is authorized to permit an existing use to remain in an existing building in good condition, which use does not conform to the provisions of this Plan, provided that such use is generally compatible with existing and proposed developments and uses in the Redevelopment Area, and abatement of such uses is not required by applicable County codes.
- B. The Agency may authorize additions, alterations, repairs or other improvements in the Redevelopment Area for uses which do not conform to the provisions of this Plan where such improvements are within a portion of the Redevelopment area where, in the determination of the Agency, such improvements would be compatible with surrounding Redevelopment Area uses and development and are permitted under applicable County codes.

## 5. General Controls and Limitation

All real property in the Redevelopment Area is hereby made subject to the controls and requirements of this Plan. No real property shall be developed, rehabilitated, or otherwise changed after the latest effective date of the ordinance adopting this Plan, except in conformance with the provisions of this Plan.

### A. Construction

All construction within the Redevelopment Area shall be reviewed by the Redevelopment Agency and shall comply with all applicable State and local laws in effect at the time.



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B. Limitation on the Number of Buildings

The number of buildings in the Redevelopment Area shall not exceed the number of buildings permitted under the Master Plan and other applicable planning documents

C. Number of Dwelling Units

The number of dwelling units in the Redevelopment Area shall not exceed the maximum number allowed under the densities permitted under the County's Master Plan and other applicable planning documents, as implemented and applied by local codes and ordinances.

D. Limitations on Type, Size and Height of Buildings

The type, size, and height of buildings shall be as limited by the County Master Plan, other applicable planning documents, and applicable federal, state and local statutes and ordinances.

E. Open Spaces, Landscaping, Light, Air and Privacy

- i. The approximate amount of open space to be provided in the Redevelopment Area is the total of all area which will be in the public rights-of-way, the public grounds, spaces around buildings, and all other outdoor areas not permitted to be covered by buildings. Landscaping shall be developed in the Redevelopment Area to ensure optimum use of living plant material.
- ii. In all areas, sufficient space shall be maintained between buildings to provide adequate light, air and privacy.

F. Signs

All signs shall conform to County codes/requirements as appropriate.

G. Utilities

The Agency shall require that all utility placements be governed according to the prevailing Douglas County codes.

H. Incompatible Uses

No use or structure which, in the Agency's opinion would, by reason of appearance, traffic, smoke, glare, noise, odor, or similar factors, be incompatible with the surrounding areas or structures shall be permitted in any part of the Redevelopment Area.

I. Use of Land for Public Purposes

The intent of this Redevelopment Plan is to maintain the amount of property currently being used for public purposes. However, in any area the Agency is authorized to permit the maintenance, establishment or enlargement of public, semi-public, institutional or non-

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profit uses, including park, entertainment, and recreational facilities, libraries, educational, fraternal, employee, philanthropic, religious and charitable institutions, utilities, and facilities of other similar associations or organizations. All such uses shall conform so far as possible to the provisions of this Plan applicable to the uses in the specific area involved and as permitted under the Master Pan. The Agency may impose such other reasonable restrictions as are necessary to protect the development and uses in the Redevelopment Area.

### J. Other Covenants, Conditions and Restrictions

The Agency is authorized to permit minor variations from the limits, restrictions and controls established by this Plan. In order to permit any such variation, the Agency must determine that:

- A. The application of certain provisions of the Plan would result in practical difficulties or unnecessary hardships inconsistent with the general purpose and intent of the Plan;
- B. There are exceptional circumstances or conditions applicable to the property or to the intended development of the property which do not apply generally to other properties having the same standards, restrictions, and control;
- C. Permitting a variation will not be materially detrimental to the public welfare or injurious to property or improvements in the area;
- D. Permitting a variation will not be contrary to the objectives of the Plan; and
- E. The Agency will ensure that any deviation will not impair the purpose of this Plan, the Zoning district or any applicable zoning regulations.

## Design Guidelines

Within the limits, restrictions, and controls established in this Plan, applicable planning documents, and County Code, the Agency is authorized to establish heights of buildings, land coverage, set back requirements, design and sign criteria, traffic circulation, traffic access, parking, and other development and design controls necessary for proper development and use of both private and public areas within the Redevelopment Area. These may be established by the approval of specific developments, by the adoption of general restrictions and controls, by resolution of the Agency, or by the adoption of one or more Design Guidelines pursuant to this Section.

## Building Permits

1. No permit shall be issued for the construction of any new building or any addition, construction, moving, conversion or alteration to an existing building in the Redevelopment Area from the date of effectiveness of the ordinance approving this Plan until the application for such permit has been reviewed by the Agency. Any permit that is issued hereunder must be in conformance with the provisions of this Plan, any Design Guidelines adopted by the Agency, any restrictions

Douglas County Nevada | Redevelopment Plan | Redevelopment Area No. 2

for controls established by resolution of the Agency, and any applicable participation or other agreement.

2. The County may request that the Agency comment on an application for a building permit in order to determine whether the application conforms to the requirements of this Plan. Agency review will be advisory only and will not control the County's approval or disapproval of an applicant.



## METHOD OF FINANCING THE AREA

### General Description of the Proposed Financing Method

1. The Agency is authorized to finance activities in the Redevelopment Area with tax increment funds; interest income; Agency bonds, donations; loans from private financial institutions; the lease or sale of Agency owned property; owner participant or developer loans; participation in development; or with financial assistance from Douglas County, the State of Nevada, the federal government, or any other available source, public or private.
2. In accordance with NRS Chapter 279, the Agency is also authorized to obtain advances, borrow funds, issue bonds, and create indebtedness in carrying out this Plan. The principal and interest on such obligations may be paid from tax increments or any other funds available to the Agency. Advances and loans for surveys and planning, and for the operating capital for administration of the Redevelopment Area, may be provided by the County or any other available source, public or private, until adequate tax increment or other funds are available or sufficiently assured to repay the advances and loans and to permit borrowing adequate working capital from other sources. The County, as it is able, may also supply additional assistance through the issuance of bonds, loans and grants and in-kind assistance.
3. Tax increment financing, as authorized by this Plan and NRS Chapter 279, is intended as a source of financing (in combination with other sources of financing that may be available) for specific activities in the Redevelopment Area.
4. The Agency is authorized to finance this Plan by all means permitted by law. The analysis and description of the proposed method of financing the Redevelopment Plan is contained in the Agency's Report to the County Commission. The analysis provides sufficient detail to determine the economic feasibility of this Plan.

### Tax Increment Funds

All taxes levied upon taxable property within the Redevelopment Area each year, by or for the benefit of the State of Nevada, Douglas County, or any district or any other public corporation (hereinafter sometimes called "taxing agencies") after the effective date of the ordinance approving this Plan, shall be divided in accordance with the provisions of NRS 279.676 as may be amended from time to time.

### Agency Bonds

1. The Agency is authorized to issue bonds from time to time, if it deems it appropriate to do so, in order to finance all or any part of activities in the Redevelopment Area in accordance with the Plan
2. Neither the members of the Agency, Agency staff, nor any persons executing the bonds are liable personally on the bonds by reason of their issuance.

## Douglas County Nevada | Redevelopment Plan | Redevelopment Area No. 2

3. The bonds and other obligations of the Agency are not a debt of the County, the State or any of its political subdivisions and neither the County, the state nor any of its political subdivisions is liable on them, nor in any event shall the bonds or obligations shall so state on their face. The bonds do not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

### Time Limit on Issuing Securities or Establishment of Indebtedness

1. Securities must not be issued and no indebtedness may be incurred in any other manner, by or on behalf of the Agency to finance, in whole or in part, the Redevelopment Plan beyond 20 years after the date on which the Redevelopment Plan is adopted, except that the Agency may incur indebtedness at any time before the termination of the Redevelopment Plan if the indebtedness is fully repaid no later than the termination of the Redevelopment Plan. The maturity date of any securities which are refunded must not extend beyond the date of termination of the Redevelopment Plan.
2. Any securities issued by or on behalf of the Agency to finance, in whole or in part, redevelopment pursuant to NRS 279.620 to 279.626, inclusive, and 279.634 to 279.672, inclusive, must mature and be fully paid, including any interest thereon, before the termination of the Redevelopment Plan.

### Other Loans and Grants

Any other loans, grants, guarantees, or financial assistance from the United States, the State of Nevada, or any other public or private source will be utilized if available as appropriate in carrying out activities in the Redevelopment Area. In addition, the Agency may make loans as permitted by law to public or private entities for any of its redevelopment purposes.

## ACTIONS BY THE COUNTY

The County may aid and cooperate with the Agency in carrying out this Plan and may take all actions necessary to ensure the continued fulfillment of the purposes of this Plan and to prevent the recurrence or spread in the area of conditions causing blight. Actions by the County may include, but are not limited to, the following:

1. Institution and completion of proceedings for opening, closing, vacating, widening, or changing the grades of streets, alleys, and other public rights-of-way, in the Redevelopment Area. Such action by the County shall include the requirement of abandonment, removal, and relocation by the public utility companies of their operations in public rights-of-way as appropriate to carry out this Plan, provided that nothing in this Plan shall be construed to require the cost of such abandonment, removal, and relocation be borne by others than those legally required to bear such costs;
2. Institution and completion of proceedings necessary for changes and improvements in private and publicly-owned utilities within or affecting the Redevelopment Area;
3. Revision or adoption of the County zoning ordinance(s), specific plan(s), or the Master Plan as appropriate within the Redevelopment Area to permit the land uses and development authorized by or necessary or desired to carry out this Plan;
4. Imposition wherever necessary (by covenants or restrictions, conditional use permits or other means) of appropriate controls within the limits of this Plan upon parcels in the Redevelopment Area to ensure their proper development and use;
5. Execution of statutory development agreements where necessary and appropriate to facilitate developments approved by the Agency;
6. Provisions for administrative enforcement of this Plan by the County, as appropriate, after development;
7. Performance of the above actions, and of all other functions and services relating to public health, safety, and physical development normally rendered in accordance with a schedule which will permit the redevelopment of the Redevelopment Area to be commenced and carried to completion without unnecessary delays;
8. Provisions of services and facilities by the various officials, offices and departments of the County for the Agency's purposes under this Plan;
9. Provision of financial assistance in accordance with this Plan or as authorized by law; and/or
10. The undertaking and completing of any other proceedings necessary to carry out activities in the Redevelopment Area.



## Douglas County Nevada | Redevelopment Plan | Redevelopment Area No. 2

The foregoing actions to be taken by the County may involve financial outlays by the County, but do not constitute a commitment to make such outlays.

### ENFORCEMENT

1. The administration and enforcement of this Plan, including the preparation and execution of any documents implementing this Plan, shall be performed by the Agency and/or the County.
2. Without limitation on the powers conferred on the County or Agency by statute or law, the provisions of this Plan or other documents entered into pursuant to this Plan may also be enforced by litigation instituted by either the Agency or the County. Such remedies may include, but are not limited to, specific performance, damages, re-entry, injunctions, or any other remedies appropriate to the purposes of this Plan. In addition, any recorded provisions which are expressly for the benefit of owners of property in the Redevelopment Area may be enforced by such owners.

### DURATION OF THIS REDEVELOPMENT PLAN

The provisions of this Plan and any amendments hereto shall be effective, and the provisions of other documents formulated pursuant to this Plan may be made effective, for thirty (30) years after the date on which this Plan is adopted. This Plan and any amendments hereto will terminate thirty (30) years after the date on which this Plan is adopted.

### PROCEDURE FOR AMENDMENT

This plan may be amended by means of the procedure established in NRS Chapter 279, or by any other procedure established by law.

### IMPLEMENTATION AGREEMENTS

The Agency and County may enter into any agreement(s) between them which they deem necessary to implement the provisions of this Plan. Such agreements shall relate only to the implementation of this Plan and shall not revise, change or modify any of the provisions, requirements or limitations of this Plan.

### SEVERABILITY

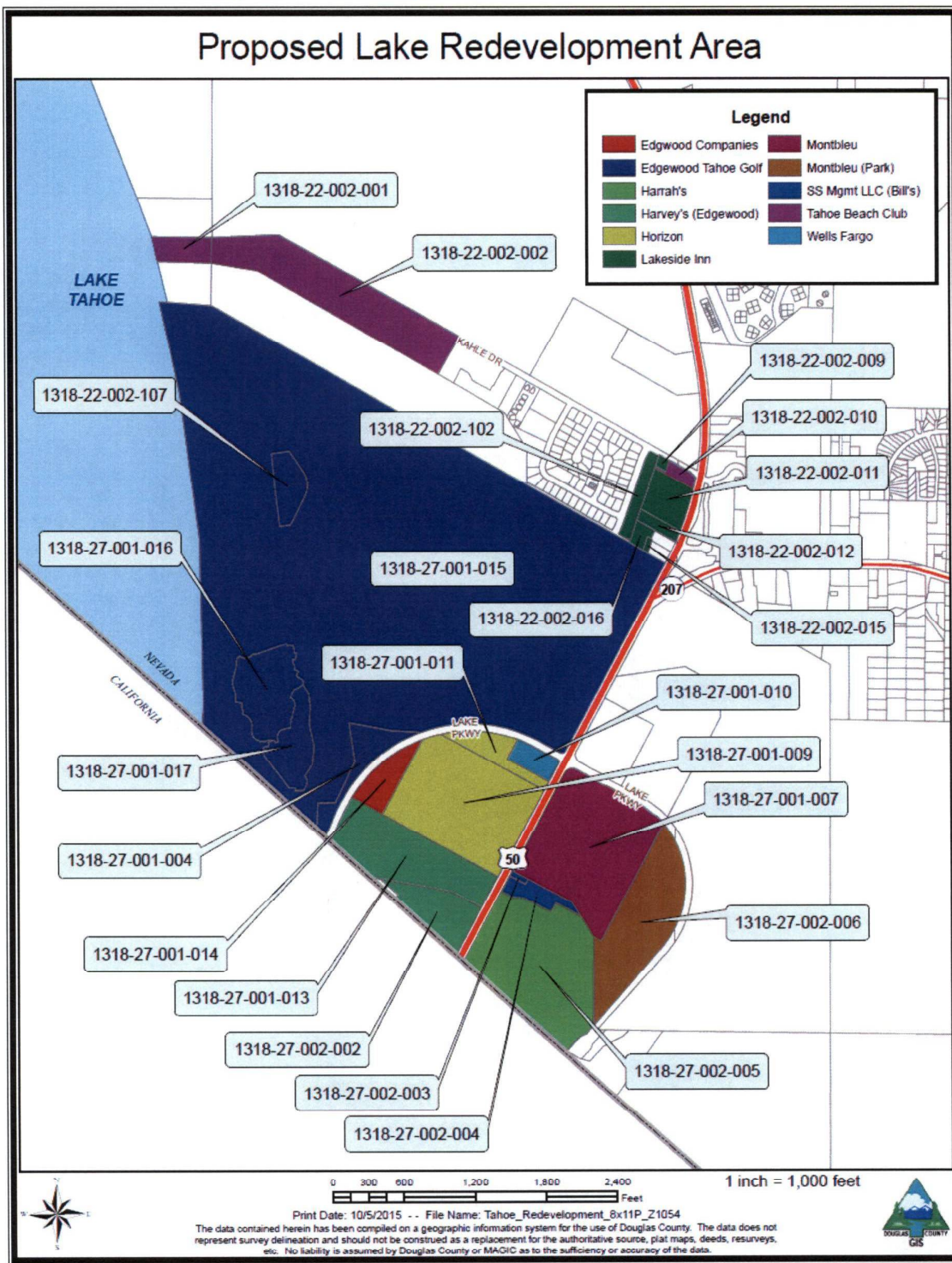
If any provision, section, subsection, subdivision, sentence, clause or phrase of this Plan is for any reason held to be invalid, unenforceable, or unconstitutional, such decision shall not affect the validity and effectiveness of the remaining portion or portions of the Plan. In the event that any portion of the Redevelopment Area shall be determined to have been invalidly or incorrectly included in the Redevelopment Area that is the subject of this Plan, such portion of the Redevelopment Area shall be

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deemed severable from the remainder of the Redevelopment Area and the remainder of the Redevelopment Area shall remain fully subject to the provisions of this Plan.



EXHIBIT A - Redevelopment Area Map



Attachment: Exh A- Redevelopment Plan Area No. 2 - (1358 : Submission of Redevelopment Plan and Report to BOCC)

**EXHIBIT "A"**

JN 8778.000  
Task 004

**REDEVELOPMENT AREA**

All that real property situate within portions of Sections 22, 23, 26, & 27, Township 13 North, Range 18 East, M.D.M., County of Douglas, State of Nevada, being more particularly described as follows:

**AREA 1****A.P.N.'s 1318-22-002-009, 010, 011, 012, 015, 016, & 102**

**COMMENCING** at a point on the west right of way line of United States Highway 50, created by Deed recorded in Book U of Deeds, Page 10, Douglas County, Nevada records, said point being described as bearing South 60°13'00" West, 127.00 feet from the Section Corner common to Sections 22, 23, 26, and 27, Township 13 North, Range 18 East, M.D.M.

**THENCE** North 60°56'54" West, 170.00 feet to the westerly corner of that certain parcel of land as described in Grant, Bargain, Sale Deed, Document Number 842158, Douglas County, Nevada records; and the **TRUE POINT OF BEGINING**;

**THENCE** North 60°56'54" West, 180.00 feet;

**THENCE** North 18°23'35" East, 786.21 feet to the southerly right of way line of Kahle Drive as on the Official Recorded Map of Oliver Park, filed in the Office of the County Recorder of Douglas County, Nevada, on February 2, 1959, as Document No. 14030.

**THENCE** easterly along said southerly right of way, South 61°11'11" East, 306.88 feet;

**THENCE** continuing along said southerly right of way, South 41°47'56" East, 60.25 feet to the westerly right of way line of said United States Highway 50, said point lying in a curve concave to the west having a radius of 2,460.00 feet, the radius point of said curve bears North 79°47'54" West;

**THENCE** southerly along said westerly right of way line 573.75 feet along said curve, through a central angle of 13°21'47" to the easterly corner of that certain parcel of land as described in Grant Deed, Document Number 841731, Douglas County, Nevada records;

**THENCE** leaving said westerly right of way line along the northerly line of said parcel of land as described in Grant Deed, Document Number 841731, North 61°00'00" West, 200.00 feet to the corner of said parcel;

**THENCE** along the westerly line of said parcel of land as described in Grant Deed, Document Number 841731, South 24°26'47" West, 75.00 feet to a corner of said parcel;



**THENCE** along the southerly line of said parcel of land as described in Grant Deed, Document Number 841731, South 61°00'00" East, 12.36 feet to a corner of said parcel;

**THENCE** along the westerly line of said parcel of land as described in Grant Deed, Document Number 841731, South 18°24'08" West, 12.73 feet to a corner of said parcel and the northerly corner of that certain parcel of land as described in Grant, Bargain, Sale Deed, Document Number 842158, Douglas County, Nevada records;

**THENCE** along the westerly line of said parcel of land as described in Grant, Bargain, Sale Deed, Document Number 842158, Douglas County, Nevada records, South 18°24'08" West, 109.24 feet to the **TRUE POINT OF BEGINNING**.

**TOGETHER WITH** Lots 1 through 12 inclusive, in Block 1, as shown on the Official Recorded Map of Oliver Park, filed in the Office of the County Recorder of Douglas County, Nevada, on February 2, 1959, as Document No. 14030.

## AREA 2

### A.P.N.'s 1318-22-002-001 & 002

All that certain real property located at 346 Eugene Drive, Stateline, Nevada 86448, identified as Douglas County Assessor's Parcel Numbers 1318-22-002-001 and 1318-22-002-002, and commonly known as the Tahoe Shores Mobile Home Park, described in that Grant, Bargain and Sale Deed, Document Number 2015-870076, more particularly described as follows:

#### PARCEL NO. 1

Being a portion of the South one-half and the Southeast one-quarter of the Northwest one-quarter of Section 22, Township 13 North, Range 18 East, M.D.B. & M., described as follows:

**COMMENCING** at the section corner common to Sections 22, 23, 26 and 27 of said Township and Range;

**THENCE** South 60°13' West, a distance of 127.20 feet;

**THENCE** North 61° West, a distance of 1340.20 feet to the most easterly corner of the Nevada State Farm Bureau property as described in the deed recorded January 7, 1954 in Book B-1 of Deeds, at Page 14, Douglas County, Nevada, Records, being also the southwesterly corner of the property shown on the map of Oliver Park, as filed on February 2, 1959 in the office of the County Recorder of Douglas County, Nevada;

**THENCE** North along the easterly line of said Farm Bureau property, a distance of 300.00 feet to an angle point and being the northwesterly corner of Lot 16, in Block 3 as shown on the Map of Oliver Park;

**THENCE** continuing along the northeasterly and northerly lines of said Farm Bureau property, and the southerly line of the property conveyed to Tahoe Village Properties, Inc., by deed recorded August 19, 1955 in Book B-1 of Deeds, at Page 417, Douglas County, Nevada, Records, North 32°20'40" West, a distance of 362.80 feet;

**THENCE** continuing along the line common to said properties North 60°40'41" West, a distance of 648.68 feet, to the southwesterly corner of the property conveyed to R.D. Keillor, Et Al, by deed recorded April 16, 1963 in Book 16 of Official Records, at Page 695, Douglas County, Nevada, Records, the **TRUE POINT OF BEGINNING**;

**THENCE** from the **TRUE POINT OF BEGINNING**, North 60°46'32" West (North 60°40'53" West), 1744.35 feet; (1744.33 feet);

**THENCE** North 81°15'50" West (North 81°12'08" West), 399.30 feet (399.40 feet) to the southwesterly corner of the property conveyed to Tahoe Village Properties, Inc., as above referred to;

**THENCE** North 00°02'04" West (North), 217.00 feet along the west line of said property;

**THENCE** North 86°49'14" East (North 86°55'13" East), along the northerly line of said property, a distance of 561.96 feet;

**THENCE** continuing along said northerly line, South 61°16'41" East (South 61°11'11" East), a distance of 1747.00 feet, to a point from which the point of beginning bears South 28°48'49" West;

**THENCE** South 28°44'42" West (South 28°48'49" West), along the northerly extension of the westerly line of the property conveyed to R. D. Keillor, Et Al, as above referred to and the westerly line thereof, a distance of 366.03 feet (365.71 feet) to the **TRUE POINT OF BEGINNING**.

#### PARCEL NO. 2

**BEGINNING** at a point on the meander line of Lake Tahoe, which point is the Southwest corner of Lot 2, of Section 22, Township 13 North, Range 18 East, M.D.B.& M.,

**THENCE** along a line hereafter referred to as Course 1, North 89°59'24" East 509.52 feet along the quarter section line to the Center-West one sixteenth corner (West one sixteenth corner);

**THENCE** South 00°02'04" East (South along the one sixteenth line), 217.00 feet;

**THENCE** North 89°11'56" West (North 89°11'30" West), 457.06 feet, to a point on the Meander Line, which point is South 14°02'15" East (South 14°00'00" East) 217.00 feet from the **POINT OF BEGINNING**;

**THENCE** continuing North 89°11'56" West (North 89°11'30" West), 50 feet, more or less, to a point on the ordinary low water line of Lake Tahoe at elevation 6233.00 Lake Tahoe Datum;

**THENCE** northwesterly, 222 feet, more or less, along said ordinary low water line at 6223.00 Lake Tahoe Datum, to a point on the westerly extension of the aforesaid Course 1;

**THENCE** along the westerly extension of the aforesaid Course 1, North 89°59'24" East, 75 feet, more or less, to the **POINT OF BEGINNING**.

Excepting any portion of the above described property lying below the 6223.00 level of Lake Tahoe and also any artificial accretions to said land waterward of said land or natural ordinary



low water or if lake level has been artificially lowered. Excepting any portion below such elevation as may be established as the boundary by boundary line adjustment with the State or by quiet title action in which the State is a party.

### AREA 3

**A.P.N.'s 1318-27-002-002, 003, 004, 005, 006, a Portion of 008  
1318-27-001-004, 007, 009, 010, 011, 013, 014, 015, 016, 017  
1318-22-002-107 and a Portion of Roadways**

All that certain real property in the County of Douglas, State of Nevada, being a portion of the South ½ of Section 22, and the North ½ of Section 27, Township 13 North, Range 18 East, M.D.B. & M. described as follows:

**BEGINNING** at the point on the intersection of the California-Nevada State Line and the Western right-of-way line of Lake Parkway, from which a General Land Office (GLO) Brass Cap monument, also on said State Line, stamped "1946", shown on Parcel Map Document #361489 of Official Records of Douglas County, bears South 47°51'50" East a distance of 487.96 feet;

**THENCE** along said State Line, North 47°51'50" West a distance of 1263.56 feet to a GLO Brass Cap monument as shown on said Document #361489 of Official Records of Douglas County;

**THENCE** continuing along said State Line, North 47°51'50" West a distance of 124.43 feet to a point on the Low Water Line of Lake Tahoe, being elevation 6223.0 feet above mean sea level on Lake Tahoe Datum;

**THENCE** leaving said State Line and continuing along the said low water line of Lake Tahoe, North 03°53'55" East a distance of 151.92 feet;

**THENCE** continuing along said Low Water Line, North 01°05'58" West a distance of 1427.87 feet;

**THENCE** continuing along said Low Water Line, North 07°47'41" West a distance of 1209.12 feet as per Book 288 Page 501 of Official Records of Douglas County;

**THENCE** continuing along said Low Water Line, North 12°25'21" West a distance of 776.32 feet;

**THENCE** leaving said Low Water Line, South 85°08'03" East a distance of 434.79 feet;

**THENCE** South 60°14'33" East a distance of 4256.91 to a point on the North line of Section 27, Township 13 North, Range 18 East, M.D.B. & M., from which said point the Northeast corner of said Section 27 bears South 87°53'49" East a distance of 233.68 feet;

**THENCE** South 60°14'33" East a distance of 141.07 feet to a point on the western right-of-way line of U.S. Highway 50;

**THENCE** along said western right-of-way of U.S. Highway 50, South 28°47'40" West a distance of 1806.07 feet, more or less, to the intersection of the U.S. Highway 50 right of way projection and the centerline of Lake Parkway (formerly known as Loop Road);

**THENCE** along said centerline of Lake Parkway, South 62°00'03" East a distance of 755.28 feet, more or less, to the beginning of a curve to the right, having a radius of 830.00 feet;

**THENCE** continuing along said centerline, along said curve, a distance of 1,511.72 feet, through a central angle of 104°21'20";

**THENCE** continuing along said centerline, South 42°21'28" West a distance of 852.58 feet;

**THENCE** continuing along said centerline, South 43°10'06" West a distance of 325.56 feet, more or less, to the intersection of the California-Nevada State Line;

**THENCE** along said California-Nevada State Line, North 47°52'13" West a distance of 1957.4 feet, more or less to the southerly corner of that certain parcel of land as described in Grant, Bargain, and Sale Deed, Document Number 620271, Douglas County, Nevada records;

**THENCE** leaving said California-Nevada State Line, along the following 3 courses around that said parcel of land as described in Grant, Bargain, and Sale Deed, Document Number 620271;

1. North 41°18' East, 50 feet;
2. North 48°42' West and parallel to said California-Nevada State Line, 200 feet;
3. North 80°42' West, 95.42 feet to said California-Nevada State Line;

**THENCE** along said California-Nevada State Line, North 47°51'50" West a distance of 501 feet, more or less, to the **POINT OF BEGINNING** and **END OF THIS DESCRIPTION**.



01/07/16

Prepared by Lumos & Associates  
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 Carson City, NV 89706

REPORT TO THE

**DOUGLAS COUNTY**

**BOARD OF COMMISSIONERS**

January, 21 2016



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## Acknowledgements

### Douglas County Board of Commissioners

Doug N. Johnson, Chairman, District 3  
 Nancy McDermid, Vice Chairwoman, District 4  
 Greg Lynn, District 1  
 Steve Thaler, District 2  
 Barry Penzel, District 5

### Douglas County Planning Commission

Frank Godecke, Chair  
 Kevin Servatius, Vice Chair  
 James Beattie  
 Jo Etta Brown  
 Anje de Knijf  
 James Madsen  
 Margaret Pross

### Tahoe Regional Planning Agency

Casey Beyer, Chair, California Governor's Appointee  
 James Lawrence, Vice Chair, Nevada Dept. of Conservation & Natural Resources Representative  
 Shelly Aldean, Carson City Supervisor Representative  
 Marsha Berkbigler, Washoe County Commissioner  
 Tim Carlson, Presidential Appointee  
 Elizabeth Carmel, California Assembly Speaker's Appointee  
 Timothy Cashman, Nevada At-Large Member  
 Hal Cole, City of South Lake Tahoe Council  
 Nancy McDermid, Douglas County Commissioner  
 Barbara Cegavske, Nevada Secretary of State  
 Mark Bruce, Nevada Governor's Appointee  
 Sue Novasel, El Dorado County Supervisor  
 Larry Sevison, Placer County Supervisor Representative  
 E. Clement Shute, Jr., California Governor's Appointee  
 William Yeates, California Senate Rules Committee Appointee

## INTRODUCTION

Redevelopment was created to provide cities and counties with a new and more effective tool to arrest decline and deterioration and eliminate blight from designated areas. In addition, redevelopment provides an Agency with its own financial resources to be used as a catalyst for its projects, and as an incentive to develop public/private partnerships. Redevelopment Agencies possess unique tools which are legally unavailable to County government. They are also especially important because often the private sector is unwilling to accept the added risk of investing in a redevelopment area without the cooperation and assistance of the public sector. Successful redevelopment encourages new investment, creates jobs, provides opportunities for new commercial and residential development and increases State and local tax revenue.

In order to realize the benefits from establishing a redevelopment district, specific legal requirements must be met. These legal requirements are contained in Nevada Revised Statutes (NRS) Sections 279.382 to 279.687 of the Nevada Community Redevelopment Law. Douglas County has meticulously adhered to these statutes in developing the Redevelopment Plan for Redevelopment Area #2 (also known as the Lake Redevelopment Area). The next step in this process is to develop a Report to the Board of the County Commissioners (the Report) that is submitted to the Douglas County Commissioners for their consideration in accordance with NRS 279.578.

### Description of the Report to the Board of County Commissioners

This Report to the County Commission on the Redevelopment Plan has been prepared by County staff and consultants on behalf of the Douglas County Redevelopment Agency pursuant to NRS 279.564 and 279.578. The purpose of this Report is to provide the information, documentation and evidence required by Section 279.578 and other sections of the Community Redevelopment Law. It is also designed to accompany the proposed Douglas County Redevelopment Plan for Redevelopment Area #2, when it is submitted by the Agency to the Douglas County Commission. Such information, documentation and evidence is provided to assist the Commission in its consideration of the proposed Redevelopment Plan for Redevelopment Area #2, and in making the various determinations it must make in connection with the adoption of the ordinance formally creating Redevelopment Area # 2.

Accordingly, this Report to the Douglas County Commission is being submitted to the Commission along with the Redevelopment Plan and the proposed Ordinance creating Redevelopment Area #2. The Report to the Board of County Commissioners contains all the related documents necessary to legally adopt it including:

- a) The reasons for the selection of the redevelopment area
- b) A description of the physical, social and economic conditions existing in the area
- c) A description of the proposed method of financing Redevelopment Plan #2 (the Economic Feasibility Report)
- d) A method or plan for the relocation of persons and families temporarily or permanently displaced from housing facilities in the redevelopment area
- e) An analysis of the Preliminary Plan
- f) The report and recommendations of the Planning Commission
- g) The Employment Plan
- h) Rules Governing Participation of Property Owners
- i) The Blight Study



In short, the Douglas County Redevelopment Plan with its Map of the proposed Redevelopment Area, in conjunction with the Report to the Douglas County Commission, a legal description of the proposed Redevelopment Area, and various other reports, meets all the criteria needed to create a redevelopment area. Most importantly, the information contained in this Report to the Douglas County Commission vividly demonstrates the predominance of blight which currently exists within the Redevelopment Plan's boundaries and the need to redevelop this area in the interest of the health, safety, general welfare, and planning goals of the community.

### **Summary of the Process**

The following steps in the process of adopting the Douglas County Redevelopment Plan #2 (Lake Redevelopment Plan) have been completed to date:

<b><u>Date</u></b>	<b><u>Action</u></b>
October 15, 2015	The Douglas County Commission designated Redevelopment Area No. 2 (the Lake Redevelopment Area) for Evaluation for Redevelopment in Resolution No. 2015R-068
November 10, 2015	The Douglas County Planning Commission (the Planning Commission) approved the preliminary boundaries of the proposed Redevelopment Area, approved the Preliminary Redevelopment Plan and transmitted the Preliminary Plan to the Douglas County Redevelopment Agency.
November 19, 2015	The Douglas County Redevelopment Agency received the Preliminary Plan, and established fiscal year 2015-2016 as the year of the last equalized assessment roll proposed to be used for the allocation of taxes. It also directed the preparation of the Douglas County Redevelopment Plan for Redevelopment Area #2.
December 8, 2015	The Douglas County Redevelopment Plan for Redevelopment Area #2 was submitted to the Planning Commission for its Report and Recommendation.
December 8, 2015	The Planning Commission reviewed Redevelopment Plan #2 and provided its Report and Recommendations. It unanimously found that Redevelopment Plan #2 conforms to the County's Master Plan.
January 21, 2016	The Agency made its proposed Owner Participation Rules available for public inspection.
January 21, 2016	The Agency made its proposed Employment Plan available for public inspection.

- January 21, 2016 The Agency made its proposed Relocation Rules available for public inspection.
- January 21, 2016 The Agency made its Blight Study and Economic Feasibility Report available for public inspection.
- January 21, 2016 The Agency submitted the Redevelopment Plan and its Analysis of the Preliminary Plan to the Douglas County Commission.
- January 21, 2016 The Redevelopment Agency prepared this Report to the County Commission and transmitted it to the Douglas County Commission along with the proposed Redevelopment Plan. The Douglas County Commission had the first reading of Ordinance 2016-1456 creating Redevelopment Area #2 and adopting the Redevelopment Plan.
- February 18, 2016 The Douglas County Commission will have the second reading of the Ordinance 2016-1456 wherein the Redevelopment Plan for Redevelopment Area #2 will be considered for adoption.

Finally, the Douglas County Redevelopment Plan and the Report to the Commission is submitted to the Douglas County Commission in three parts. The first part is the Douglas County Redevelopment Plan which is the Agency's ongoing governing rules and regulations to govern Redevelopment in the proposed Redevelopment Area #2. The second part is the Report to the Board of the Douglas County Commission which includes those documents required in accordance with NRS 279.578. The third part includes those documents which will form the policies and guidelines for the operation of the Douglas County Redevelopment Area #2 (Lake Redevelopment Area). These documents are entitled the Relocation Rules, Property Owner Preferences and the Employment Plan, which are contained within the Report.

### **Mandated Redevelopment Area Requirements**

Several specific requirements are mandated by state statutes and are explained to insure compliance

#### **1. Total Revenue Paid to a Redevelopment Agency**

NRS 279.676 stipulates that the total revenue paid to a redevelopment agency cannot exceed 15% of the total assessed valuation of the municipality. Extensive analysis and evaluation of the proposed Douglas County Redevelopment Plan #2 was undertaken to determine that Douglas County adheres to this standard.

#### **2. Improved Land**

NRS 279.519 requires that at least 75% of the area included within a redevelopment area must be improved land. More specifically, improved land is defined as "land that contains structures that



have been connected to water facilities, sewer facilities or roads, or any combination thereof, and any areas related to such structures, including, without limitation, landscaping areas, parking areas, parks and streets." The State Legislature's clear intent was to insure that a redevelopment area did not include pristine property not served by utilities. It also wanted to encourage redevelopment of infill sites at the expense of those parcels located miles from any urban population, and not adjacent to other development.

In Stateline's case all of the area within Redevelopment Area #2 (Lake Redevelopment Area) boundaries is improved land in accordance with the definition.

### Summary

A summary of each component of the Report to the Douglas County Commission and the corresponding Nevada Revised Statutes section is provided for ease of understanding

<u>NRS SECTION</u>	<u>TITLE</u>	<u>RESPONSIBLE PARTY</u>
	Introduction	Agency
279.578 (2a)	Reasons for the Selection of the Redevelopment Area	Agency
279.578 (2b)	Description of the Physical, Social and Economic Conditions Existing in the Redevelopment Area	Agency
279.578 (2c)	Economic Feasibility Report	Agency
279.388, 279.416, 279.418, 279.519	Blight Study of Property within Proposed Redevelopment Area	Agency
279.478 and 578 (2d)	Method or Plan for the Relocation of Temporarily Displaced Persons Families and Businesses	Agency
279.566	Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Property Owners	Agency
279.482	Employment Plan	Agency
279.524	Preliminary Plan	Planning Commission
279.578(2e) and (2f)	Agency Analysis of the Preliminary Plan & Planning Commission Report/Recommendation	Agency & Planning Commission



**DOUGLAS COUNTY REDEVELOPMENT AGENCY**  
**REASONS FOR THE SELECTION OF**  
**THE REDEVELOPMENT AREA**

January 21, 2016



Attachment: Exh B -Report -- Redevelopment Area No. 2 (1358 : Submission of Redevelopment Plan and Report to BOCC)

## Reason for the Selection of the Redevelopment Area

### Background

The rationale for the need for redevelopment agencies is contained in Nevada Revised Statutes (NRS). As stated in NRS 279.416: "there exist in many communities blighted areas which constitute either social or economic liabilities, or both, requiring redevelopment in the interest of the health, safety and general welfare of the people of those and of the State." It continues in NRS 279.418 stating that "blighted areas present difficulties and handicaps which are beyond remedy and control solely by regulatory processes in the exercise of the police power." In NRS 279.418 and 420 it concludes by declaring, "the process of deterioration of a blighted area frequently cannot be halted or corrected except by redeveloping the entire area or substantial portions of it and the benefits which will result from the remedying of such conditions and the redevelopment of blighted areas will accrue to all the inhabitants and property owners of the communities in which they exist." This declaration of State policy for the need for redevelopment accurately describes the present situation in Stateline, Nevada.

### Boundary Selection

Stateline's economy over the past two decades has experienced a severe decline. This decline is concentrated in and around the high density hotel/casino district located in Douglas County on the state line between Nevada and California (more commonly known as the South Shore).

This decline in prosperity can be traced to a number of blight factors but the most devastating has been economic deterioration. In turn, this economic distress is the result of a number of factors. For one, the success of Indian gaming in California has had a serious impact and significantly contributed to a 38% decline in hotel/casino revenue over this period (from a high of \$338 million in 2004 to 209 million in 2011). For another, recent hotel price wars have resulted in a customer with less discretionary income causing lower spending on gaming and ancillary activities. Third, the economy in Lake Tahoe lacks diversity creating a strong dependence on the California economy and a serious vulnerability to its economic instability. Fourth, the recent national recession contributed to further erosion in Stateline's economy. Finally, there has been a serious lack of investment in infrastructure as a result of the regulatory nature of the Lake Tahoe Regional Planning Agency. No matter what the reasons, the status quo does not provide a level of revenue that is sustainable for the South Shore.

### General Reasons for the Selection of the Redevelopment Area

This economic decline previously documented was also impacted by the major redevelopment in 2003 on the California side of the border. Just as shopping, dining, and after hour activities became comparatively more popular than gaming, California targeted this market by revitalizing its side of the border into the Heavenly Village shopping and dining area. In an effort to appeal to a changing demographic California eliminated the outdated 1950's version, drive up motels and outdated storefronts. In its place its redevelopment focused on creating a modern district which exhibits a pedestrian friendly "sense of place," the exact types of experience younger patrons are seeking. This gleaming new area stands in blatant contrast to the Nevada side of the border. In Stateline major



investment is concentrated inside the hotels rather than outside where it would have enhanced the streetscape.

These changing spending patterns are also a serious problem for Douglas County and the State of Nevada. With no State or local income tax in Nevada, government at all levels is extremely dependent on sales, transient occupancy, gaming and property taxes to maintain services. At the same time the recession caused property taxes to plummet further aggravating an already serious situation. Over time this places a tremendous strain on innumerable government services as crucial and varied as law enforcement, education and snow removal. Accordingly, it is critical that local government become a partner in reversing this decline and deterioration.

The key to addressing these various problems resides in redeveloping Stateline's high density hotel/casino district as well as the adjacent area. This is the reason the Lake Redevelopment Plan includes the Tahoe Shores mobile home court, the Edgewood-Tahoe golf course and US Highway 50 frontage. Each of these areas provides a different opportunity to address Stateline's economic decline. The hotel/casino district provides a location to develop an entertainment venue to expand and enhance its popular outdoor concert series. The 19 acre Tahoe Shores Mobile Home Park was purchased in 2002 with the intent to construct 143 units of high end housing. While the recession stalled progress on this project, now that it is ending it appears this project will move forward. Finally, the US highway 50 frontage presents an opportunity to upgrade the aesthetic appearance of this roadway and, once the South Shore US Highway 50 Revitalization project is completed, the ability to create a more pedestrian oriented and friendly concourse.

In sum, there are two critical reasons why the boundaries of the Lake Redevelopment area are the California State line on the south, Kahle Drive on the north, Lake Parkway and US Highway 50 on the east, and Lake Tahoe on the west. The first is that the most serious decline and deterioration in Stateline is concentrated in this area. The second reason is that the best chance to address Stateline's economic decline is through the combined use of private investment and redevelopment tools, focused on an area where substantial investment in the near future is highly likely.

#### Specific Reasons for the Selection of this Area

After providing a general overview of the reasons for the selection of the boundaries of the Lake Redevelopment area it is also important to provide a more specific rationale. Many of these specific reasons are contained in the 2011 Douglas County Master Plan which spent considerable time and effort in profiling Stateline's economic decline and methods to reverse it. For example, in assessing its weaknesses the Master Plan included poor availability of employment opportunities, lack of diversity of job types for the local workforce, land and housing prices which are the highest in Northern Nevada, and the need to bolster the local tax base. Similarly the Master Plan listed some of the ongoing threats as the seasonal nature of tourism in the Tahoe Basin, increased unemployment rates, a decrease in population, and declines in hotel room nights rented, transit occupancy tax and sales tax revenues.

Finally, the Master Plan lists several economic concerns which are identical to reasons the Lake Redevelopment area was selected for redevelopment. For example, it lists:

- Entry level workers are priced out of the housing market and even experienced workers cannot purchase housing in certain communities in at Lake Tahoe.

## Douglas County Nevada | Redevelopment Plan

- Northern Nevada's economy lacks diversity and is highly dependent on new business from California.
- The unpredictable nature of the California economy.
- The Tahoe Regional Planning Agency's 1987 Regional Plan which focused on stopping the uncontrolled growth that once threatened Lake Tahoe. But the Plan also froze in time the Basin's auto-centric road network and infrastructure of strip malls and scattered developments, which are now the greatest threat to both the clarity of Lake Tahoe and the health of the economy.
- Since 1997, guided by the Lake Tahoe Environmental Improvement Program, federal, state and local agencies have invested over \$1 billion in water quality and forest fuels projects to restore Lake Tahoe and the health of its forests. But unlike other national jewels, Tahoe has not secured significant investments in transit systems, bike trails, a visitor center and other facilities necessary to appropriately serve residents and visitors in the 21<sup>st</sup> century.
- Private investment in the Basin's community centers has been limited, in large part because key elements of the 1987 Regional Plan are overly complex, outdated and do not incorporate contemporary land use and environmental science. The Basin's economic and social health has deteriorated with the loss of some 10,000 permanent residents since 2000. Schools and many businesses have closed. Unemployment and poverty levels in the Basin, as a whole, are above state averages.

### Redevelopment of the Selected Area

While the aforementioned general and specific factors have contributed to Lake Tahoe's economic decline, the solutions to these problems are, likewise, concentrated within these same boundaries.

Again the Douglas County Master Plan provides many of the recommendations needed to address Lake Tahoe's decline and deterioration. For example:

- Stateline revitalization is a major economic goal for Douglas County, El Dorado County and the City of South Lake Tahoe.
- The objective is to transform the area into a world class recreational tourist destination by providing a variety of recreational opportunities within walking distance of the bed base (from the 2013 South Shore Area Plan).
- Develop outdoor and indoor entertainment amenities.
- The Edgewood Lodge and Golf Course Improvement Project includes an easement to access a new public beach within walking distance.
- Creation of a pedestrian friendly retail environment with a wide variety of dining options.



## Douglas County Nevada | Redevelopment Plan

- Seek infrastructure projects that support economic development efforts.
- Support programs aimed at strengthening the accessible labor pool, such as affordable housing, recreational opportunities, transportation alternatives, and higher/continued education opportunities.
- Identify trends in the outdoor industry that have expansion/growth potential for the County.

Consequently, when considering measures to eliminate these weaknesses it is obvious that one of the most effective tools is redevelopment. Likewise, the boundaries selected in the Redevelopment Plan were strategically drawn to focus on those areas which are most blighted but also those which have the highest probability for new investment.

### Purpose and Objectives

In summary, redevelopment of the Lake Redevelopment area is in accordance with Nevada Revised Statutes and will attain the purposes of the Nevada Community Redevelopment Law through:

1. The elimination of areas suffering from economic dislocation and disuse
2. The redevelopment of areas which are stagnant or improperly utilized, and which could not be accomplished by private enterprise without public participation and/or assistance.
3. The promotion of sound revitalization and redevelopment of blighted areas.
4. The installation of new or replacement of existing public improvements, facilities, roads and utilities in areas which are currently inadequately served.
5. The provision of public improvements, utilities or facilities designed to serve as a catalyst for subsequent private sector investment.
6. Other means as determined appropriate.

### Non-Blighted Properties Included for Redevelopment Purposes

To the extent that certain properties are included in the Lake Redevelopment Area that are not blighted, their inclusion in the Redevelopment Area is necessary and appropriate for one of the following reasons:

1. Because such properties are impacted by the conditions existing on adjacent properties.
2. Because the lack of adequate roads and utilities inhibit the development of unproductive land.
3. Because only through new development and the related taxes which will be produced will Stateline be able to reverse the deterioration of public infrastructure, property and streets.



4. Because social and economic blight conditions such as loss of population and declining property values prevalent in the proposed Redevelopment Area impact properties which are not blighted.
5. In order to impose uniform requirements, and offer identical incentives over a geographically defined area of the County.
6. Because non-blighted properties will share in the physical, social and economic benefits accruing to the area through the elimination of blight
7. Because non-blighted properties will share in the benefits of new public utilities, improvements and facilities within or serving the proposed Redevelopment Area
8. Because such properties are part of a blighted area

Because the elimination of blight and the redevelopment of Stateline could not reasonably be expected to be accomplished by private enterprise acting alone without the aid and assistance of the Douglas County Redevelopment Agency. Because of the higher costs and more significant risks associated with development of blighted areas, individual developers are unable and unwilling to invest in blighted areas without substantial public assistance.

**DOUGLAS COUNTY REDEVELOPMENT AGENCY**  
**DESCRIPTION OF THE PHYSICAL, SOCIAL AND ECONOMIC**  
**CONDITION EXISTING IN THE REDEVELOPMENT AREA**

January 21, 2016



## Description of the Physical, Social and Economic Conditions Existing in the Lake Redevelopment Area

### Background and Historical Overview

Lake Tahoe is the tenth deepest lake in the world and has always been renowned for its spectacular scenery and the clarity of its water. This alpine lake is the second deepest in the nation, surrounded by mountains and renowned for its exceptional outdoor recreational activities. The entire area is under the jurisdiction of the Tahoe Regional Planning Agency which was established in 1969 and administers strict growth and environmental controls including caps on residential growth and all forms of development.

The first settlers were drawn to the Lake Tahoe area coincidental with the discovery of silver (more commonly known as the Comstock Lode) in nearby Virginia City. Between 1860 – 1890 nearly all the trees in the Tahoe Basin were logged to provide wood for the vast complex of underground tunnels in and around Virginia City. By the late 19<sup>th</sup> century Lake Tahoe had become a popular vacation destination for wealthy San Franciscans. They were attracted by the scenic environment, outdoor activities and casinos which opened in the early 1900's. The first ski resort opened in 1938 at the Sugar Bowl. Tahoe's reputation for exceptional winter sports gained international attention by the first televised Winter Olympics held at Squaw Valley in 1960. This combination of casinos and skiing ushered in Lake Tahoe's first wave of growth after World War II.

The unincorporated community on the Nevada side of the California/Nevada border is better known as Stateline. Stateline, Nevada is located on the very southeast corner of Lake Tahoe, an area commonly referred to as South Shore. It is also located on the very western edge of Douglas County contiguous to California, the state which contains the entire eastern half of the Lake. Significantly, while Stateline, Nevada is adjacent to the State of California, gaming is legal in Douglas County, but illegal in its neighboring state. Consequently, the economy on the California side of the border is dominated by one to two story retail shops, restaurants and services, while on the Nevada side it is anchored by four large, high rise casinos and related businesses.

Stateline's economic success lasted throughout the 1960's and 70's but began to be challenged by the advent of Indian gaming in the 1990's. In the last two decades Stateline has fallen on difficult times as hotel occupancy slumped and gaming revenue declined. Since Nevada has no income tax, government services have been strained as they are largely dependent on sales, hotel occupancy and gaming tax revenue. This downward spiral accelerated due to the recession which began around 2005 and debilitated consumer discretionary spending.

### Overview of the Physical Conditions

The predominant physical feature of the Lake Tahoe Basin is the lake itself which serves as the northern boundary of the proposed Lake Redevelopment Area. This lake is the second deepest in the United States. It is estimated to be 22 miles long and 12 miles wide with 72 miles of shoreline. Annual snowfall in South Lake Tahoe averages 125 inches. At alpine skiing elevations, the snowfall averages 300 to 500 inches each year. Water clarity is an extremely important point of emphasis to the entire area and over the past three decades millions of dollars have been spent to protect and improve it.



The streets within the proposed Lake Redevelopment Area are US Highway 50 (terminating at the California state line), Kahle Drive, Lake Parkway, Stateline Avenue, Eugene and Arthur streets. Most of these streets have minor deficiencies including cracked pavement, deteriorated curbs and gutters and vast acres of surface parking. The exceptions are Eugene and Arthur Streets which are the interior roads of the Tahoe Shores Trailer Park and lack sidewalks and need significant improvement. A key transportation recommendation included in the South Shore Area Plan is the U.S. Highway 50 South Shore Revitalization project. This project would create a loop road which would divert through traffic to the east effectively bypassing the hotel/casino high density corridor. The remaining, or current, US Highway 50 would be transformed into a pedestrian friendly environment.

Utilities appear to be adequate as does landscaping. Parking appears to be adequate although there is noticeable deterioration in the surface lots and parking garages. While parking is adequate, there are vast expanses of underutilized surface lots which were built for a larger customer base and have not been needed for years.

## Overview of the Social Conditions

### Housing

The Lake Tahoe area housing market is typical of a resort destination community and exhibits housing problems common to these areas. For example, many of the multi-family and single family attached units include condominiums and second homes causing land and housing prices in the Lake Tahoe area to exceed those in Douglas County. This high cost is primarily due to several factors including the limited availability of land for residential development, the regulated number of TRPA residential allocations and the high demand for housing (including second homes), at the Lake. To illustrate this contrast, during 2010 median prices for single family home sales were \$600,000 in Lake Tahoe versus \$210,000 in Minden and Gardnerville.

These factors combine to create a serious imbalance, and a persistent problem in the local housing market. Most critical is the extremely limited diversity in housing options. Since only high end housing development is encouraged, options for the local work force is constrained. In fact, for this reason the majority of these workers reside in California. This problem is aggravated due to the seasonal nature of the local economy meaning an irregular annual income for many workers is the norm. Similarly, entry level workers are priced out of the housing market and even experienced workers cannot purchase housing in certain communities in Lake Tahoe. Additional workforce housing is needed to maintain the permanent population. This need is particularly acute for seasonal employees with high turnover rates.

Finally, the recent "housing bubble" resulted in an in-migration of affluent retirees and accelerated the transition from full time permanent residents to more seasonal and part-time residents and second home ownership. This situation created an economic barrier for many younger, working age households, particularly those with children.

### Education

When it comes to education, Douglas County's situation is highly unusual. Underscoring the aging of the County's population, students enrolled in Douglas County schools in 2000 accounted for 17% of the

population. However, by 2010, enrollment in Douglas County schools only accounted for 13.5% of the County's population. The County's chartered schools population also declined, from 7,033 in 2000-2001 to 6,342 in 2010-2011. Most notably, Kingsbury Middle School closed its doors three years ago.

This trend is even more conspicuous in Lake Tahoe. Reductions in family households with children and loss of permanent population in the Lake Tahoe Basin contributed to a decline in school enrollment. One of the primary reasons for this trend is the continuing transition of the Lake Tahoe area from permanent to part time ownership, thereby reducing the number of children enrolling in local schools.

### Recreation

A major asset to Stateline is the Edgewood-Tahoe Golf Course one of the premiere courses in the entire country. The Nevada Stateline to Stateline bike path traverses the area. A small beach is part of the trailer park but no other outdoor recreational opportunities are apparent within Lake Redevelopment Area boundaries. However, when considering the nearby Lake Tahoe Basin, world class outdoor recreational activities are abundant. From world class skiing and snowboarding, to hiking, biking, boating, sailing water skiing and fishing etc. these opportunities are nearly limitless and continue to serve as a magnet to visitors.

One of the unique elements of this region is the Lake Tahoe Regional Planning Agency. Created in 1969, the TRPA has jurisdiction over the entire Lake Tahoe Basin and focuses on stopping uncontrolled growth. TRPA's regulations impact nearly every aspect of Lake Tahoe life including residential and commercial development, air quality, water clarity and transportation.

Finally, the heart of the Lake Tahoe region is the lake itself. Consequently, efforts have been ongoing for decades to maintain the quality and clarity of the water in the lake.

### Overview of the Economic Conditions

During the 1960's and 1970's Stateline's economy thrived and many factors contributed to this economic prosperity. One of the principal reasons was the combination of better transportation by ground and air allowing easier accessibility to the Lake Tahoe Basin. Another factor was the increasing incomes resulting in a greater desire and ability for leisure activities. A third aspect of Stateline's prosperity during this period was the growing reputation of the area as a premiere outdoor destination. Californians, lured by the excitement of legal gaming also contributed to economic prosperity. Finally, as California grew and prospered it became increasingly popular as a vacation destination or as a location for a second home.

This economic success began to change in the late 1980's and early 90's with the federal approval of Indian gaming. The construction of new Indian resorts closer to the major population centers in California enabled many leisure travelers to frequent a casino much closer to home. This decline culminated in a 38% decline in casino revenue over the past 15 years.

Accelerating this decline was the change in the gaming culture. Younger customers were not content to simply gamble for hours but became increasingly interested in ancillary activities. For example, the majority of revenue in Las Vegas hotel/casinos is now derived from non-gaming activities (restaurant, shopping, night clubs etc.) and this trend continues to accelerate. While the Lake Tahoe area's magnificent outdoor activities still attract many leisure travelers, world class resorts in other parts of the country developed activities and amenities designed to compete for the nation's vacation spending. Finally, the



California drought spanning the past decade has had a major impact on the length of the ski season, dramatically decreasing revenue from outdoor enthusiasts.

Further contributing to the loss of revenue was the Heavenly Village redevelopment project undertaken by South Lake Tahoe, California in 2003. Located just steps away from the hotel/casinos in Nevada, this large scale shopping and dining complex is a magnet for the type of non-gaming expenditures which have become increasingly popular with the younger demographic. Naturally, this is also an enormous problem for the public sector whose sales taxes have also decreased at a dramatic rate. Responding to these various threats with a redevelopment project of its own is imperative for Stateline.

In 2006 a SWOT analysis described in Douglas County's Master Plan vividly placed this problem in clear focus. Some of the critical issues it described were:

- Declines in hotel room nights rented, Transient Occupancy Tax, and sales tax revenues.
- Increased unemployment rates.
- Decrease in population.
- Northern Nevada's economy lacks diversity and is highly dependent on new business from California which creates a vulnerability to economic shocks. In fact, it is estimated that the majority of Stateline revenue is generated by California visitors.
- Entry level workers are priced out of the housing market and even experienced workers cannot purchase housing in certain communities in Stateline.

### Summary

When reviewing the current physical, economic and social factors in Stateline, it becomes obvious a severe dichotomy exists. Considering the physical factors, the Lake Tahoe Basin provides one of the world's premiere outdoor environments with a range of activities matched by few locations on the planet. Further, while most everyone is familiar with the area's world class skiing and snowboarding, its visitation is actually higher during the summer.

While the physical conditions are excellent, the contrast with the social conditions is a major concern. Declining school enrollment illustrates an inability to maintain a solid, year round family population. Likewise, the housing situation in the Lake Tahoe area is a serious issue. Whether it is the seasonal nature of the economy which makes it difficult for many workers to buy a home, the lack of work force housing, the stringent TRPA regulations, or the recent recession - which caused property values to decline thereby straining government services - the housing market exhibits serious problems.

Finally, far and away the most serious problem in Stateline is the economy. Over the past several decades the decline in Stateline's economy has been dramatic. From declining employment, to reduced gaming revenue, to the leakage of discretionary spending, to competition for discretionary spending from California shops and restaurants, to dwindling tax revenue, this trend is ominous. Only a concerted effort by both the private and public sectors can reverse this trend and return Stateline to economic prosperity. Consequently, it is apparent that creation of a Stateline redevelopment area is long overdue.



# LAKE TAHOE BLIGHT STUDY

## DOUGLAS COUNTY REDEVELOPMENT AREA #2

Prepared as an attachment to the Report to the  
Douglas County Board of Commissioners

January 21, 2016



**Douglas**  
COUNTY, NV

*Great people. Great places.*

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Douglas County Redevelopment Area #2 | Blight Study

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## Definition of Blight

To be eligible for redevelopment in Nevada an area must meet several specific requirements including a demonstration that it is blighted according to Nevada Revised Statutes. The rationale behind Nevada's enabling laws to create redevelopment agencies resides in NRS 279.416-420. These statutes describe conditions of blight and deterioration that, if prevalent, constitute a menace to the health, safety and welfare of communities. To be considered blighted an area must be characterized by at least four of the factors delineated in NRS 279.388. These blight conditions are reprinted, verbatim in the box below.

1. The existence of buildings and structures, used or intended to be used for commercial, industrial or other purposes, or any combination thereof, which are unfit or unsafe for those purposes and are conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime because of one or more of the following factors:
  - a) Defective design and character of physical construction.
  - b) Faulty arrangement of the interior and spacing of buildings.
  - c) Overcrowding.
  - d) Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities.
  - e) Age, obsolescence, deterioration, dilapidation, mixed character or shifting of uses.
2. An economic dislocation, deterioration or disuse, resulting from faulty planning.
3. The subdividing and sale of lots of irregular form and shape and inadequate size for proper usefulness and development.
4. The laying out of lots in disregard of the contours and other physical characteristics of the ground and surrounding conditions.
5. The existence of inadequate streets, open spaces and utilities.
6. The existence of lots or other areas which may be submerged.
7. Prevalence of depreciated values, impaired investments and social and economic maladjustment to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered.
8. A growing or total lack of proper utilization of some parts of the area, resulting in a stagnant and unproductive condition of land which is potentially useful and valuable for contributing to the public health, safety and welfare.
9. A loss of population and a reduction of proper use of some parts of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere

Finally, NRS 279.519 states that a redevelopment area need not be restricted to only those building improvements or lands which are detrimental or inimical to the public health, safety or welfare, but may consist of an area in which such conditions predominate and injuriously affect the entire area. Furthermore, a redevelopment area may include, in addition to blighted areas, lands, buildings or improvements which are not detrimental to the public health, safety or welfare, but whose inclusion is found necessary for the effective redevelopment of the area of which they are a part.



## Legal Requirements

According to NRS Chapter 279, evidence of blight must be provided in a Report to the legislative body (in this case the Douglas County Board of County Commissioners). Among other items, this Report to the Board of County Commissioners (the Report) must provide evidence sufficient for the Board of County Commissioners to determine that:

1. The redevelopment area includes a blighted area, the redevelopment of which is necessary to effectuate the public purposes declared in this chapter; (NRS 279.586 (1) (a))
2. Also, according to NRS 279.586 f (1) and (2) all noncontiguous areas of a redevelopment area:
  - a. Are blighted or necessary for effective redevelopment; or
  - b. Satisfy the requirements stated in NRS 279.519 subsection 4
3. Finally, the inclusion of any lands, buildings or improvements that are not detrimental to the public health, safety or welfare is necessary for the effective redevelopment of the area of which they are a part (NRS 279.586 (1) (g))

Once documentation related to these requirements is provided in the Blight Study the Board of County Commissioners effectively ratifies these findings when it adopts the Report and Ordinance creating the Redevelopment Area.

## General Description of the Proposed Redevelopment Area

Since the proposed redevelopment area is so compact (map #1) Bender & Associates was able to undertake an in-depth analysis of each structure plus the Edgewood Tahoe Golf Course. These structures include five casinos (Harrah's, Harveys, the Hard Rock, Mont Bleu and the Lakeside), a warehouse building located behind Harveys, Wells Fargo Bank, the Tahoe Beach Sales Center, the Adventure Bike Shop an old storage building the Edgewood Tahoe Golf Course and the Tahoe Shores trailer court. The only noncontiguous property is the Tahoe Shores Trailer Court. The only property that exhibits any large expanse of open land is the Edgewood Tahoe Golf Club, but according to NRS definitions this entire area is considered improved land (NRS 279. 519 (6)).

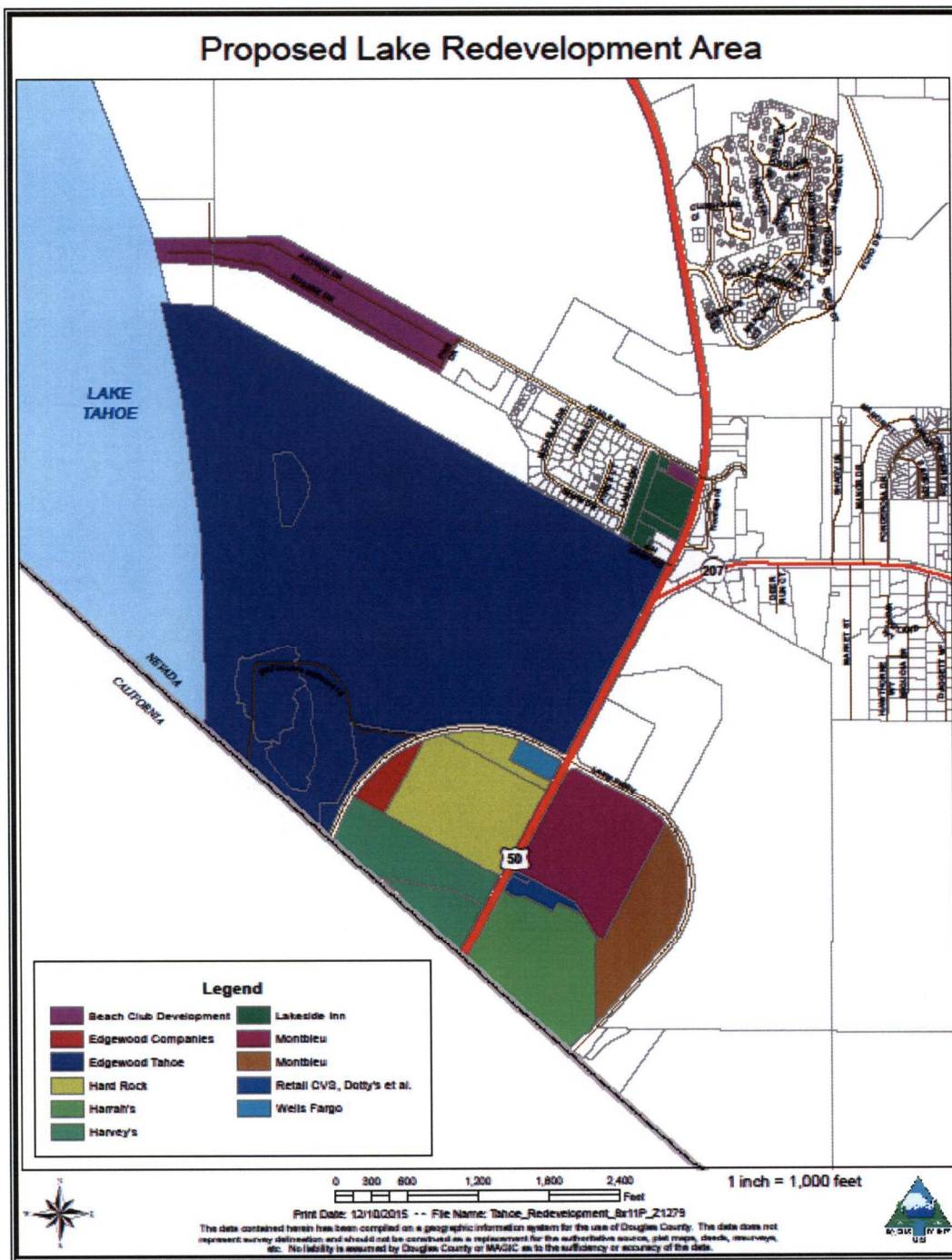
While the Lake Tahoe Basin is an iconic destination resort, and one of the most scenic outdoor areas in the United States, it is characterized by five high-rise casinos more representative of an urban district. These five casinos were all built in a different era (see Table 1) when gaming was the overriding reason to visit and few resort destinations could compete with the beauty, excitement and elegance of Lake Tahoe. However, over the past three decades Lake Tahoe's economic prosperity has declined to the point that the community is currently facing severe hard times. The reasons are as varied as the growth of Indian gaming in California, to major investment by competing destinations, to the obsolescence of the hotel/casino business model, to regulations which make it extremely difficult to add rooms, to drought, to the recent national recession. Finally, the most vivid evidence of this economic stagnation can be found by viewing the vast acres of unused parking which has not been needed for years.

With the exception of Wells Fargo Bank and the Edgewood Golf Course, most of the other properties within the proposed redevelopment boundaries exhibit significant age and deterioration. This is most evident in

the Tahoe Shores Trailer Court where the majority of its properties reveal classic examples of blight. Conversely, this property provides a substantial opportunity for redevelopment which is critical to reversing the extreme downward economic trend experienced by Stateline over the past three decades. The warehouse building behind Harveys, the Adventure Bike Shop and the adjacent storage building are all obsolete, dilapidated and deteriorating. Finally, the Edgewood Tahoe Golf Course is a Lake Tahoe icon and represents an opportunity to help Stateline reverse its decline. By investing in new, upscale residential units, the type of accommodations and amenities demanded by the modern customer (and common in competing resort destinations such as Vail, Aspen, Breckinridge, Napa, Park City, etc.), will be available in Lake Tahoe.



### Douglas County Redevelopment Area #2 (map #1)



Attachment: Exh B -Report -- Redevelopment Area No. 2 (1358 : Submission of Redevelopment Plan and Report to BOCC)



### Summary of Hotel/Casino Properties (table #1)

SUMMARY OF MAJOR HOTEL / CASINO PROPERTIES				
NAME	OPENED	STORY	ROOMS	CASINO SQUARE FEET
Harrah's Lake Tahoe Hotel	1973	18	525	65,000
Hard Rock Hotel and Casino	1965	14	539	25,000
Harveys Lake Tahoe Casino	1944	18	740	87,500
Lakeside Inn and Casino	1969	2	123	17,852
Montbleau Resort, Casino and Hotel	1978	15	437	40,000
<b>TOTALS</b>			<b>2,364</b>	<b>235,352</b>

### Approach and Methodology

With the definition of blight according to NRS 279 clearly explained, it is necessary to demonstrate how, and where, these conditions exist in the proposed Douglas County Redevelopment Area #2 (the Lake Redevelopment Area). To accomplish this, the proven interpretation (used in several other Nevada Blight Studies) of each blight factor is provided in italics. In turn, general and specific examples of blight located within the Douglas County Redevelopment Area #2 are identified and an explanation of how they fit that particular blight factor is provided. In other words, when the general and specific examples of blight in Stateline match the interpretation of the blight condition designated in State law, the area can be considered blighted according to that factor. The identical method is used to characterize each of the thirteen blight factors.

**For ease of understanding, the format used is to:**

1. List the legal blight factor as defined by NRS 279.388
2. List the proven interpretation in italics
3. Provide the general and specific examples which match this blight factor

Both primary and secondary data sources were used to quantify existing conditions in the proposed redevelopment area. To determine blight, Bender & Associates undertook field surveys, reviewed information available in the public domain and consulted with Douglas County staff and members of the South Tahoe Alliance of Resorts (STAR).

Structures within the proposed Redevelopment Area were analyzed individually and collectively, and both physical and economic blight indicators were observed in the field surveys. These blight indicators include inadequate roads, deterioration and dilapidation of structures, age and obsolescence, and crowding. Secondary sources documented population stagnation, job loss, declining gaming revenue and dwindling local tax receipts. Secondary data sources included the Nevada Gaming Abstract, Douglas County Master Plan, the Lake Tahoe Basin Prosperity Plan, the Economic Vitality Strategy and Action Plan, the South Shore



Area Plan, State of Nevada and U.S. Census Bureau records, and interviews with County staff and STAR members. Finally, an extensive photographic record of blight was documented in order to provide a permanent, visual record of the extent of decline and deterioration.

## Identification of Blight within Douglas County Redevelopment Area #2

As previously mentioned, this Blight Study describes, in bold face headings, each of the specific blight factors defined in state statutes. The interpretation of the statute appears in italics. Finally, the applicable data that reveals the existence of blight and matches the specific factor under consideration is provided.

### 1. Unfit or Unsafe Buildings or Structures

*The existence of buildings and structures, used or intended to be used for residential, commercial, industrial or other purposes, or any combination thereof, which are unfit or unsafe for those purposes and are conducive to ill-health, transmission of disease, infant mortality, juvenile delinquency or crime because of one or more of the following factors (1a-1e).*

*This category of the law deals with the physical condition of buildings in a redevelopment area. It includes subcategories that describe specific indicators of blight: defective design and physical construction; faulty arrangement of interiors and spacing of buildings; overcrowding; inadequate provisions for ventilation, light, sanitation, open spaces and recreational facilities and age and obsolescence of structures.*

Each of these categories is discussed separately, and in detail below.

#### 1.(a) Defective Design and Physical Construction

*Buildings of any type may suffer deterioration or disuse, or may contribute to such problems in other buildings, because of inherent defects in their design. Such buildings can present safety hazards, be functionally inefficient or facilitate their own deterioration. Defects may exist from the moment a given building is completed; or, they may evolve as occupants attempt to accommodate change in uses within the building or within surrounding buildings over time.*

*Conditions of defective design can occur in a variety of ways, and can include inappropriate exterior building materials, or a building that is of inadequate size for the intended use, or exterior retrofit of utilities, such as electrical and water systems. A faulty addition to a building can also be considered defective design. Inadequate construction resulting from deficient soil conditions may facilitate their own deterioration.*

**General Characteristics**

While many of the buildings within the Douglas County Redevelopment Area #2 are old and obsolete, very few of these problems can be attributed to defective design or construction.

**Specific Examples**

None of the buildings within this proposed redevelopment area were observed to be blighted due to defective design or physical construction.

**1.(b) Faulty Arrangement of Interiors and Spacing of Buildings**

*Indicators of faulty interior arrangement and spacing of buildings include inadequate setbacks and side yards resulting in fire hazards, inadequate loading, inadequate on-site parking areas, excessive lot coverage, and exposed outdoor storage and/or production.*

The field survey was conducted through direct observation of various hotels and casinos.

**General Characteristics**

Stateline's hotel/casinos were constructed decades ago when their predominant use was to encourage customers to take advantage of their gaming activities. This business model focused on hotels with small rooms designed to provide brief rest interludes before encouraging the customer to return to the excitement of slot machines and gaming tables. Luxuries and amenities in hotel rooms were limited.

Over the years this business model became increasingly outdated. Today the typical customer spends less time on the casino floor and is much more interested in spending his disposable income on dining, shopping, luxury spa treatments, entertainment and other amenities. Furthermore, the destination resort areas that Lake Tahoe competes with have made considerable investment in their luxuries and amenities. Most noticeably room size has increased with luxury suites being the most desired accommodation. Consequently, the hotels in Stateline provide ample evidence of blight due to faulty and outdated interior arrangement.



**Specific Examples**

All five of Stateline's hotel/casinos demonstrate blight due to faulty interior arrangement.

Consequently, 5 of the 12 properties or 42% were observed to exhibit this blight factor.

**1.(c) Overcrowding**

*Overcrowding generally indicates housing which has densities that are too high by today's standards. Conditions of overcrowding often lead to populations, which are packed into limited space resulting in social and economic problems.*

**General Characteristics**

The commercial nature of this redevelopment area means that the only single family residential units are located in the Tahoe Shores mobile home park. The five large hotels can also be considered housing units.

**Specific Example**

While the Tahoe Shores residential units can be considered blighted due to other criteria, they are not rated as such because of housing density.

In total, none of the properties are considered blighted due to overcrowding.

**1.(d) Inadequate Provision for Ventilation, Light, Sanitation, Open Spaces and Recreational Facilities**

*Inadequate provision for ventilation, light, sanitation, open spaces and recreational facilities. A typical indicator of inadequate ventilation and light includes building walls with windows placed too close together so that air and light cannot reach the windows. Open space and recreational facilities refers to parks and playgrounds which are inadequately maintained.*



**General Characteristics**

Most of the structures within the redevelopment area are well spaced. However, Doc's Cottages close proximity to the warehouse building behind Harveys, demonstrates inadequate ventilation and an inability for light to reach the warehouse building.

**Specific Examples**

The inability of light to penetrate the warehouse building behind Harveys is a classic case of blight due to lack of light and ventilation.

The total number of properties considered blighted in this category is 1 of 12 or 8%.

### 1.(e) Age, Obsolescence and Deterioration and Dilapidation Mixed Character, Shifting of Uses

*Age refers to buildings and structures of older construction that have not been renovated or upgraded to: eliminate deterioration; modernize heating, ventilation, plumbing or electrical systems; or remedy code or other legal violations or inadequacies. Obsolescence refers to an outdated building design and layout, or site plan that is no longer useful or economically viable given present-day standards or market needs. Such buildings may encourage marginal uses or become neglected and pose safety hazards.*

*Dilapidation and deterioration are characteristics of buildings or structures or vacant land.*

*The terms "Mixed Character" and "Shifting of Uses" refer to a use in a building that was not intended for that building and, consequently, the building is usually poorly adapted and inefficient. This is considered a blight characteristic because it can lead to incompatible uses, and increased deterioration if buildings are put to more rigorous use than originally intended.*

**General Characteristics**

Most of the buildings in Douglas County Redevelopment Area #2 are considered blighted under this factor.

Simply the age of most of the buildings in the area would rate them as blighted. The most recent hotel/casino construction dates to 1978 and one is over seventy years old. Several of the other non-hotel/casino properties in the area are also over fifty years old.



**General Characteristics (continued)**

While age is one factor that qualifies many of these structures as blighted, evidence of obsolescence is also pervasive. In the fast paced hotel/casino industry where rapidly changing consumer trends demand that properties constantly be upgraded, Lake Tahoe has fallen behind. Because the business model in prior decades focused on gaming and related activities, hotel rooms were often relatively small and spartan. In a prior era the customer didn't mind as he was content to take only a brief respite from gaming before returning to the slot machines or gaming tables.

This has all changed in the past two decades. Modern customers are used to large rooms or luxury suites, and a vast array of amenities. They also expect the hotel/casino to be a place with a menu of activities far beyond the gaming experience. Shopping, dining, lounge entertainment, concerts, luxury spa treatments, pool side diversions, famous entertainers and related activities are much more important to the younger demographic than just gaming. Finally, this customer has become accustomed to this experience because it is common at resort destinations which are Lake Tahoe's most rigid competition. Consequently, discriminating visitors increasingly choose to spend their leisure time and income in resort destinations other than Lake Tahoe. When considered in the context of blight, this situation represents the textbook case of obsolescence.

This area also demonstrates one example of the mixed character blight factor, namely the warehouse structure behind Harveys which is clearly incompatible with the adjacent high rise hotel/casinos.

Many of the other structures in the redevelopment area suffer from dilapidation and deterioration. The storage building, Adventure Bike Shop, and the Tahoe Beach Club sales office, all located along Kahle Drive, have seen better days. Similarly, the warehouse behind Harveys hotel/casino suffers from dilapidation and deterioration.

Finally, so much dilapidation and deterioration was identified within the Tahoe Shores trailer park that a common rating system used in other Blight Studies was replicated for this report.



**Specific Characteristics – Age**

Harveys Hotel originally opened in 1944, the Hard Rock in 1965, the Lakeside Inn and Casino in 1969, Harrah's in 1973 and the Mont Bleu in 1978, all of which can be considered ancient in the hotel/casino industry. The warehouse behind Harveys, the Tahoe Beach Club Sales Office, the Adventure Bike Shop and the Kahle Drive storage building can all be considered blighted due to age.

In sum, only the Wells Fargo Bank, the Edgewood Golf Course and the Tahoe Shores Mobile Home Park are not blighted due to age

**Specific Characteristics – Obsolescence**

Harveys Hotel and Casino, the Hard Rock Hotel and Casino, the Lakeside Inn and Casino, Harrah's Hotel and Casino, and the Mont Bleu Hotel and Casino can all be considered blighted due to obsolescence. The individual investments that have been made to each of these properties have not been sufficient to keep pace with the standard in the industry, the modern customer profile or the resort destinations which are the major competitors to Lake Tahoe.

The reasons for this decline are numerous. For example, all the Stateline casinos were built on a model popular four or five decades ago with an emphasis on small hotel rooms and casinos with few amenities beyond gaming. The casinos featured an increasingly obsolete model with an inward design and an emphasis on keeping the customer in the building. The more modern trend in casinos is outward facing in appearance and operations. With nongaming revenue now exceeding gaming income there is a premium in newer casinos on developing activities and amenities to engage the customer. In contrast to Stateline's older business model, the newer design focuses on developing a roster of amenities the visitor will gladly return to after sampling the competition.

The modern design focuses on activities and amenities so interesting and exciting they will persuade customers from other hotels to migrate to the newer properties. Hotel rooms are larger, diversity of offerings is more extensive, and gaming is considered just one component of the visitor experience. The casinos in Stateline have struggled to keep up with this new reality.

In sum, all five of the hotel/casinos can be considered blighted due to obsolescence.



### Specific Characteristics - Dilapidation and Deterioration

Ratings in this blight category are the product of firsthand field observations. These observations occurred on October 23, and 24, 2015.

The rating categories used in the field survey to assess conditions are generally defined as follows:

Buildings or land rated as excellent or in good condition ("A") are in need of little or no maintenance; vacant parcels are well cared for and not overgrown with weeds or other debris.

Buildings or land rated as deferred maintenance ("B") need minor improvements such as paint or other exterior cosmetic repairs; vacant parcels need minor landscaping improvements.

Buildings or land rated as needing moderate rehabilitation ("C") require a substantial amount of improvement such as a new roof, exterior siding, and foundation repairs, etc. vacant parcels are extensively overgrown and may exhibit topographical problems; and

Buildings or land rated as needing extensive rehabilitation ("D") are abandoned or boarded up, very poorly maintained, have significant structural damage or need several major repairs. Vacant parcels are thoroughly overgrown with weeds, have substantial debris, have been used as a common dumping ground, exhibit foundations of demolished buildings, have severe topographical problems, etc.

Structures that were assigned a rating of "C" or "D" are dilapidated or deteriorated. Deteriorated buildings which have not been properly maintained by property owners and tenants are a hindrance to attracting new development to the redevelopment area. Existing property owners and prospective developers are often discouraged from investing in an area where deterioration is prevalent, because security in their investment is uncertain. The presence of properties which exhibit signs of deterioration may also deter owners of neighboring properties from improving or even maintaining their properties. This occurs if it appears that any benefits which might accrue to their properties will be diminished or negated due to the condition of surrounding properties. This presents a risk of decreases in property values if deteriorated conditions are permitted to persist, as illustrated in the Tahoe Shores mobile home park.

**Blight Due to Age, Obsolescence, Deterioration, Dilapidation, Mixed Character and Shifting of Uses**

The field research detailed in Charts #1 and #2, verifies that 150 of the 165 structures in the Tahoe Shores mobile home park are rated "B," "C" or "D." This means that 91% of all the parcels are in need of some form of maintenance. More serious is the fact that 95 or 58% are in need of moderate to extensive rehabilitation (a condition rating of "C" or "D"). When you add in the vacant lots, which are all rated "D", 121 of the 191 mobile homes, or 63%, are considered blighted due to dilapidation or deterioration.

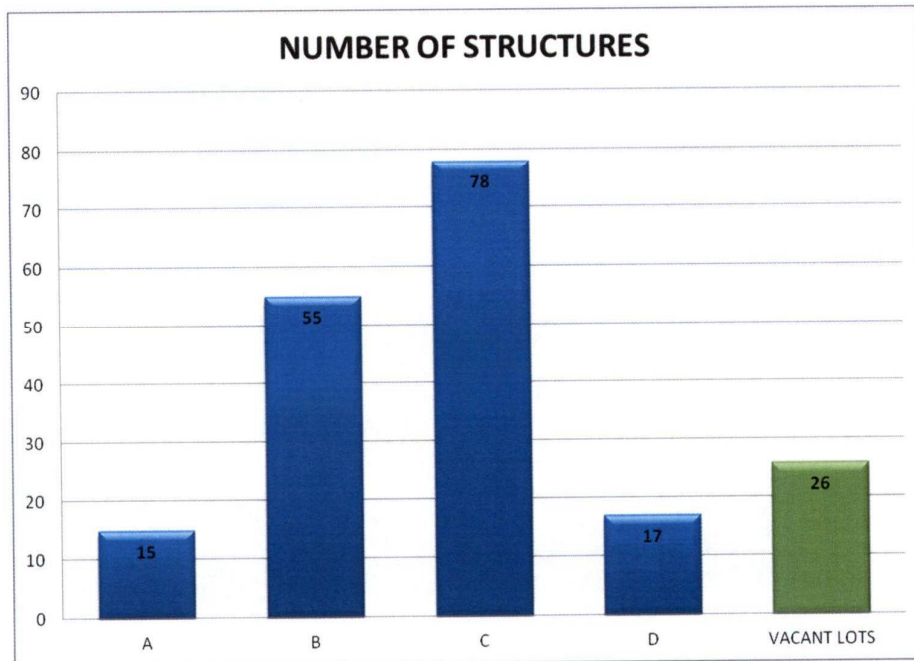
The enclosed pictures provide examples of the extent of this deterioration.

Taken together, these various blight factors provide evidence that all the properties in the redevelopment area except the Wells Fargo Bank and the Edgewood Golf Course suffer from either age, obsolescence, mixed character of uses, or dilapidation and deterioration. Accordingly, this category identifies 11 of the 12 properties, or 83%, as blighted.

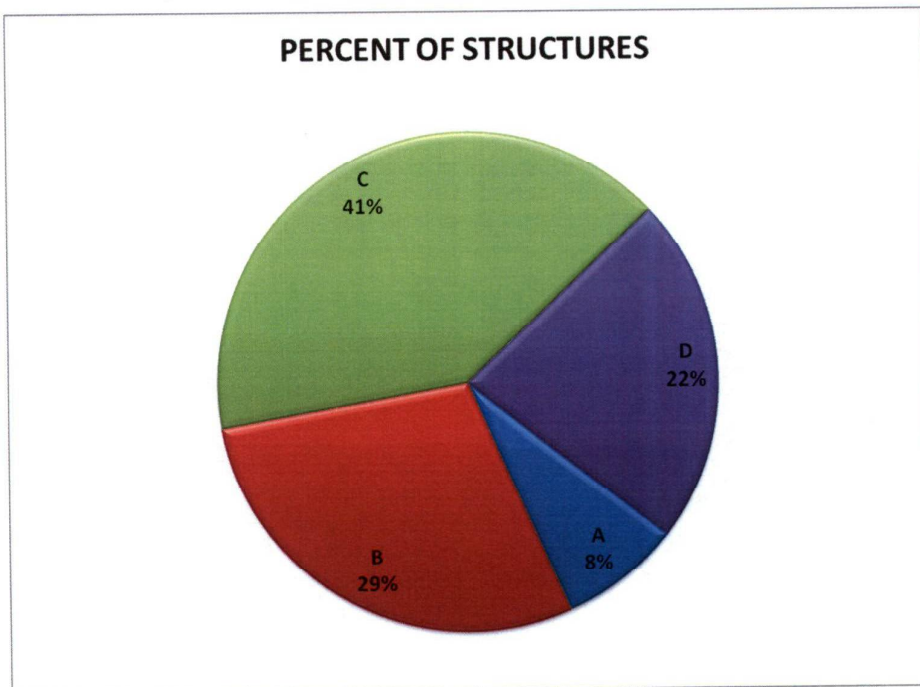


### PROPERTY RATINGS SUMMARY CHARTS

#### Number of Structures and Vacant Lots (chart #1)

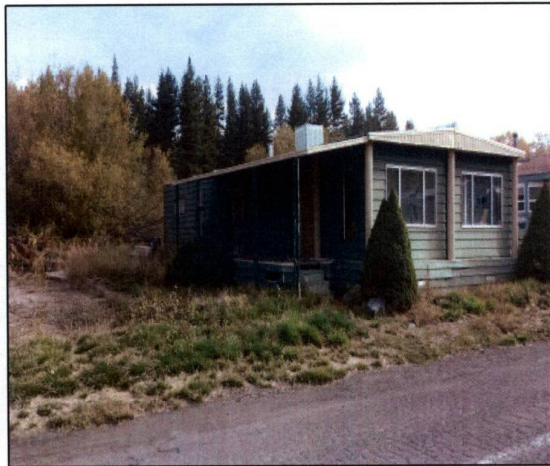


#### Percent of Structures (chart #2)





### Tahoe Shores Mobile Home Park (pictures)



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Douglas County Redevelopment Area #2 | Blight Study



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## 2. Faulty Planning

*An economic dislocation, deterioration, or disuse resulting from faulty planning. Evidence of faulty planning results from buildings containing uses, which are incompatible with adjacent uses.*

### General Characteristics

The primary example of this blight factor is most prevalent with the warehouse building behind Harveys Hotel/Casino.

### Specific Examples

Doc's Cottages back up to the warehouse building on the Harveys property and provide little, if any, space between the buildings. With modern building codes a warehouse building would never be allowed to locate adjacent to a commercial motel, i.e. a textbook example of incompatible uses. Furthermore, the close proximity of the warehouse structure to Harvey Hotel/Casino creates a serious fire hazard. In turn, a small fire could easily impact the health and safety of hundreds of customers within surrounding buildings, most ominously the nearby 740 room Harveys Hotel.

In total, there were 2 examples of Faulty Planning meaning 2 of the 12 properties, or 17%, were blighted according to this factor.

## 3. Lots of Irregular or Inadequate Shape or Size

*The subdivision and sale of lots of irregular form and shape and inadequate size for proper usefulness and development.*

*The economic viability of an area is reduced when it contains a number of lots of inadequate size for usefulness and development. This situation is commonly the result of historical subdivision and development patterns, as well as shifting economic trends in commercial sectors (e.g. shifts in the demand for goods and services). Adequate parcel size and dimensions are necessary if land is to be effectively utilized. Certain minimum lot sizes are required not only for code compliance, but also to make development and redevelopment attractive to investors. Parcels must be large enough to accommodate the primary structure, setback area, circulation, and parking space. Parcels not able to meet these conditions may require that potential investors acquire adjacent properties (which may not be for sale) or forego rehabilitation or development of a property in lieu of an attractive site of adequate size and dimensions. Section 279.388 of the NRS considers the "subdividing and sale of lots of irregular form and shape and inadequate size for proper usefulness and development" a characteristic of a blighted area.*



**General Characteristics**

Once again, the warehouse area behind Harveys Hotel/Casino is the classic example of blight due to inadequate shape and size. This structure would never be allowed to be constructed in this location today, due to modern fire, safety, and building code regulations.

**Specific Examples**

The small size of the lot in which the warehouse building behind Harveys is shoe horned, plus the lack of circulation, to the absence of setbacks, to the limited parking, are all classic examples of blight due to inadequate shape or size.

In all, there was 1 property classified as blighted due to inadequate shape or size representing 8% of the total.

**4. Disregard to Contours or Physical Conditions**

*The laying out of lots in disregard of the contours and other physical characteristics of the ground and surrounding conditions. This blighting characteristic refers to the presence of parcels that, because of their layout, create problems with, or do not take advantage of, opportunities presented by the topography of an area.*

**General Characteristics**

As can be expected from the slope in the redevelopment area, runoff from land in many parts of the redevelopment area flows directly into Lake Tahoe. Millions of dollars, and decades of effort have been expended in reducing erosion in an attempt to maintain the clarity of Lake Tahoe. For decades, strict standards to control runoff have been required by TRPA on all new development in the Tahoe Basin. Unfortunately, the fact that most of the properties in the redevelopment area predate these requirements means that the runoff from the vast acres of surface parking flow unchecked into Lake Tahoe. This problem is compounded by the absence of adequate curbs and gutters along Stateline Avenue and Kahle Drive which are ineffective in intercepting or diverting this runoff.

This problem has been most clearly identified by the Nevada Tahoe Conservation District. This District supports a project which proposes to redesign and expand the dry Kahle Basin to a larger wet Basin. It also proposes to replace an undersized 36" pipe with a 48" pipe. In addition, it would also install conveyance infrastructure along Laura Drive to capture Lakeside Inn and adjacent commercial property runoff. By installing drop inlets and conveyance pipe along Laura Drive the Lakeside Inn area runoff could then be treated by the proposed Kahle Drive storm drain treatment system.

**General Characteristics (continued)**

The ultimate objective is to rectify the current situation where runoff from the existing Kahle Dry Basin exits the Basin from a vegetated swale, travels approximately 50 feet to Burke Creek, which then flows into Lake Tahoe. Naturally, these improvement require local municipal revenue, a difficult prospect given Lake Tahoe’s current economic climate.

**Specific Examples**

All five of the hotel/casinos in the redevelopment area contribute to the erosion problem due to the layout of the hotel/casinos which contain surface parking for a level of customer demand not experienced in Stateline for over a decade. Also, the Tahoe Beach Club sales office, the Adventure Bike Shop and the storage building (all located on Kahle Drive), contribute to this problem as both streets have inadequate curbs and gutters to prevent runoff.

In total, 8 examples, or 67% of the properties can be considered blighted due to contours or physical conditions.



## 5. Inadequate Streets or Physical Conditions

*The existence of inadequate, deteriorating, rutted streets, open space and utilities. Section 279.388 of the NRS states a blighted area may also be characterized by the existence of inadequate public streets, open space or utilities. Inadequate streets are defined as those that lack the capacity to carry the existing or anticipated vehicular traffic, or provide inadequate access to an area. Inadequate open space refers to a lack of sufficient parks and recreation areas. Inadequate utilities means that an area lacks or is poorly served with electricity, gas, telephone or other services necessary for successful development.*

### General Characteristics

As mentioned previously, Lake Tahoe currently struggles to engage the modern destination resort visitor due to the lack of activities, ambience and amenities they are accustomed to. Part of this ambience is a pedestrian friendly “sense of place” with interesting and unique dining and retail opportunities in an environment that places a premium on strolling, window shopping, people watching, bicycling, or dog walking. Unfortunately, Lake Tahoe is again more representative of a bygone, auto-centric era with busy US Highway 50 the primary offender (see South Lake Tahoe and Stateline pictures).

South Lake Tahoe, California began to address this changing demographic by redeveloping its side of the state line through the Heavenly Village redevelopment project. Eliminated were the small, 1950’s era motels and outdated souvenir shops, replaced with attractive and interesting retail stores and new dining experiences. Wide sidewalks, small plazas and pedestrian benches were designed to unconsciously promote a pedestrian oriented, friendly ambience. In contrast, the Nevada side still retains a 1950’s atmosphere where a casino is designed to keep the visitor captive, and a stroll outside the hotel is met with 4-6 lanes of traffic. In short, a major highway, dividing the heart of a resort area, is incompatible with the calm and peaceful environment the modern visitor expects and has experienced in competing locations such as Napa, Sonoma, Breckinridge, Aspen, Vail, or Park City.

To its credit, Lake Tahoe has been striving for years to change this inadequate traffic pattern. According to the South Shore Area Plan, the South Shore Community Revitalization project (Loop Road) is meant to rectify this problem by allowing for traffic to flow around the High Density Tourist District and for the existing Highway 50 to be turned into a pedestrian friendly Main Street. However, “this project has been in the planning process for over 20 years but has yet to move forward as a result of lack of funding.”

This lack of funding is underscored by a discussion of existing conditions in the 2011 Master Plan which provides information on Douglas County transportation revenue sources. These revenue sources include the residential and non-residential construction tax, the 1 percent room tax, as well as local and regional taxes. The Master Plan reveals that since 2005, all three revenue streams have been steadily declining.



**General Characteristics (continued)**

To sum up, Highway 50 is the primary example of an inadequate street system that has an impact far beyond traffic. It results in a serious problem for Lake Tahoe as it contributes to an overall atmosphere that does not meet the expectations of the modern visitor. In turn, this serious traffic issue impacts the entire redevelopment area by contributing to declining hotel visitation and revenues, ultimately providing fewer customers to all the businesses in and outside the redevelopment area.

**Specific Examples**

It has already been mentioned that US Highway 50 represents blight as part of an inadequate street network. Beyond US Highway 50 there are other examples of inadequate streets in Douglas County Redevelopment Area #2. Kahle Drive has no sidewalks, and what curbs and gutters it does contain are deteriorated. Even when sidewalks are present, most are dilapidated and in need of repair. Stateline Road exhibits the same absence of curbs, gutters and sidewalks. Finally, Arthur and Eugene Drives, the two streets which service the Tahoe Shores mobile home park, also have no sidewalks, curbs and gutters. In addition to these streets being blighted, the absence of curbs and gutters contributes to erosion and water clarity problems for Lake Tahoe.

Regarding utilities, one problem unique to Lake Tahoe is characteristic of blight due to the physical condition of inadequate utilities. This problem is the presence of overhead (as opposed to underground) electrical utility lines. In a pristine area like Lake Tahoe, electrical transmission lines, by their very nature, can be considered visual blight. More importantly, these transmission lines frequently are buffeted by high winds causing recurrent power outages. More than just an inconvenience, the absence of reliable transmission lines, and the power they supply, threatens the health and safety of the residents in Lake Tahoe. Efforts to rectify this problem have been discussed, but declining revenues have, to this point, been insufficient to underground these utilities.

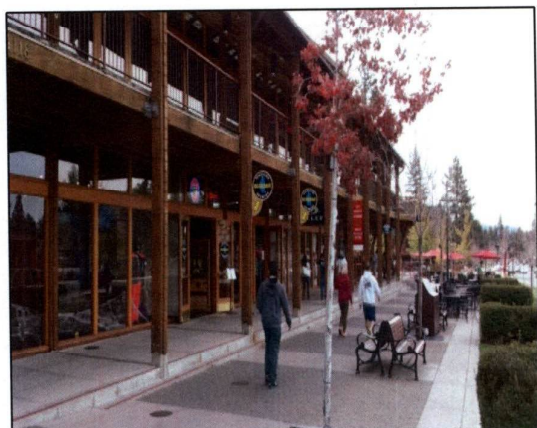
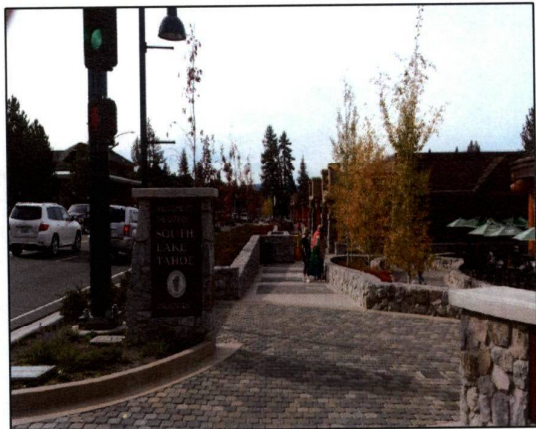
Finally, storm water runoff impacting Lake Tahoe's clarity is an enormous and persistent problem. The goal of the Kahle Basin project is to improve treatment of storm water runoff in Kahle Basin. Finding a reliable funding source for this and other important storm water treatment projects competes with other municipal service needs. As mentioned previously, these municipal service needs are constrained by Stateline's decaying economic climate and declining tax receipts.

Overall, inadequate streets and utilities impact all the properties in the proposed redevelopment area (see deteriorated streets pictures). Consequently, 12 of the 12 properties, or 100%, are considered blighted due to inadequate streets or physical conditions.

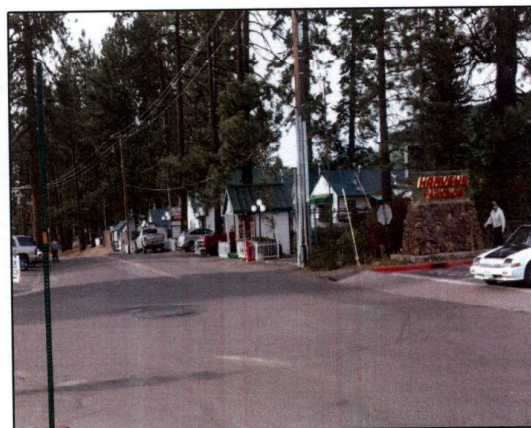


### South Lake Tahoe and Stateline (Pictures)

South Lake Tahoe



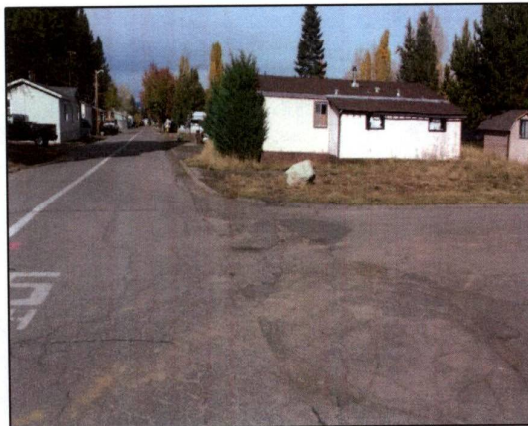
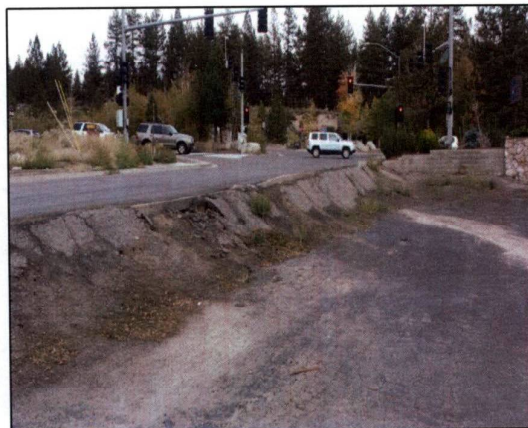
Stateline



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### Deteriorating Streets (Pictures)





## 6. Possible submerging

*The existence of lots or other areas which may be submerged. Areas which are flood prone or in a flood plain can be considered as possible submerging candidates.*

No evidence of flooding or flood prone areas in the Douglas County Redevelopment Area #2 was identified.

In total, it is estimated that none of the properties in this category, or zero percent, can be classified as blighted due to possible submerging.

## 7. Depreciated or Deteriorating Values

*Prevalence of depreciated values, impaired investments and social and economic maladjustment to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered. Conditions where assessed values have been declining or failing to keep pace with those in other comparable locations indicates a lack of investment by existing property owners and outside investors.*

### General Characteristics

The most compelling demonstration of blight in Lake Tahoe revolves around social and economic maladjustment resulting from over two decades of economic deterioration. This economic deterioration begins with declining hotel/casino revenues, and progresses in a domino effect where employment declines, tax revenues diminishes, the ability to maintain critical municipal services is impaired (including an inability to reduce sediment from migrating into Lake Tahoe), to the difficulty of most Stateline workers being able to afford housing in the Tahoe Basin, to declining school enrollment. Ultimately these conditions result in a diminished sense of community which impacts the entire South Shore area. The current situation is best summed up by the South Shore Area Plan which states, "the status quo does not provide a level of revenue that is sustainable for the South Shore."

Stateline's devastating economic decline and deterioration is obvious, well documented and has continued unabated for years. According to the South Shore Vision, "Given the decline in the gaming industry, the overall poor visitor infrastructure, increased competition, and other factors previously mentioned, it would be challenging for South Shore tourism spending to grow significantly to previous levels, let alone growth beyond those levels, over the long run. If not addressed, this stagnation will result in further stagnation along with the continued loss of revenues as well as taxes, and employment which will likely discourage future investment continuing this downward trend."

The reasons for the decline in economic prosperity over the past two decades are many and their impact has spread throughout the entire region. In fact, the entire County has suffered from the dwindling tax revenues generated in Lake Tahoe. This economic decline has reached a crisis stage and if it is not reversed the long term health of the entire Lake Tahoe Basin is in question.



**General Characteristics (continues)**

The economic maladjustment trends affecting Lake Tahoe can be briefly summarized:

- Total Stateline hotel/casino revenue has fallen from \$557 million in 2004 to \$349 million in 2013, a decline of 31% (chart #3).
- Gaming revenues have decreased significantly from a high of \$338 million in 2004 to \$209 million in 2011, a decrease of 38%.
- Employment within Stateline casinos declined from 5,349 in 2004 to 3,035 in 2013, a reduction of 52% (chart #4).
- Average room occupancy decayed from a high of 82% in 2004 to 67% in 2013 (chart #5).
- The number of new room nights rented in Stateline hotels fell from 775,973 in 2000/2001 to 606,625 in 2010/2011, a drop of 22%.
- Gaming revenue per square foot of floor space sunk from \$1,562 in 2004 to \$1,044 in 2013, a decline of 33% (chart #6).
- The unemployment rate in Douglas County increased from a high of 6% in 1990 to 14.8% in 2012 (chart #7).
- 49% of homes are owned by second home owners.
- School enrollment declined In Tahoe schools from a total of 822 students in 1990/1991 to 431 students in 2010/2011, a reduction of 48% (chart #8).

After decades of deteriorating values the result is clearly evident. Economic maladjustment has caused property values to depreciate to the point where even the investment being made in Stateline's hotel/casinos is impaired due to the overall decline of the entire area. These declining property values also result in lower tax receipts to local governments, leading to difficulty in continuing to provide basic municipal services. Finally, the problems emanating from declining assessed values (table #2) are compounded as Lake Tahoe's major competitors constantly upgrade and improve their menu of entertainment, shopping, dining, spa treatments and facilities and other amenities, This vicious downward economic spiral continues because, while Lake Tahoe's competitors constantly reinvest in their facilities, existing Stateline property owners and outside investors are reluctant to make significant investment locally until they see some evidence that this deteriorating economic climate is being reversed.



**General Characteristics (continued)**

The first, and most obvious reason for Stateline's economic decline, is the dynamic growth of tribal gaming. Much of Stateline's traditional market is derived from Sacramento, the Bay area and surrounding communities. Several modern Indian casinos such as Thunder Valley, Cache Creek, and Red Hawk have been built in this area over the past fifteen years and contain many of the amenities and activities the younger visitor prefers. Many Indian casinos are conveniently located near Interstate 80 and are closer to Sacramento, the Bay area and other large California population centers than Lake Tahoe. These casinos are also located at a lower altitude, meaning the visitor doesn't have to cross the Sierra mountain range which can often become a serious hazard, particularly during the winter

Another significant reason for Stateline's shrinking economy is that all the casinos were built on a business model popular four or five decades ago. This business model relied on small hotel rooms, an inward design, casinos with few amenities beyond gaming and an emphasis on keeping the customer in the building. This business model is increasingly obsolete, as the modern trend in casinos is outward facing in appearance and operations, featuring a roster of diverse activities and amenities. With nongaming income now exceeding gaming revenue, there is a premium in a design that focuses on a list of options the visitor will gladly return to after sampling the competition. Furthermore, a successful set of diverse activities, entertainment and amenities will entice customers from other properties to migrate to the more modern experience. In today's successful properties hotel rooms are larger, diversity of offerings is far superior, and gaming is considered just one component of the visitor experience. The casinos in Stateline have struggled to keep up with this new reality.

The third reason for Stateline's economic regression is its competition. With the proliferation of social media and less complicated transportation access, the potential visitor finds it much easier to select from an ever expanding list of resort destinations. Lake Tahoe finds itself competing with places as varied as Napa, Sonoma, San Francisco, Monterrey, Aspen, Breckinridge, Park City, Vail, and even Las Vegas. Over the past decade most of these resort destinations have made substantial investments to reinvent themselves to appeal to changing visitor preferences. Beyond facilities and amenities, these locations have also invested millions of dollars in promoting their destinations, paying particular attention to social media. Again, these are all areas where Lake Tahoe has struggled to keep up, and where the outside investor is reluctant to risk his capital.

Impaired investment also occurs when it comes to marketing. The South Shore Vision Plan states, "while Lake Tahoe has traditionally had a competitive advantage with funds derived from its Tourism Business Improvement District (TBID), that advantage has been significantly eroded as many of South Shores competitor destinations have multi-million dollar promotional budgets and have formed their own TBID's. With the advent of online and social media marketing tools, destinations now have the capacity to promote themselves, their events and activities in an efficient manner that was not previously possible. These promotional messages, often with greater reach than traditional marketing messages, now compete with South Shore, further adding to the competitive environment."



**General Characteristics (continued)**

Even the investments the hotels in Stateline are willing to make, are uniquely impaired. The regulatory nature of the Lake Tahoe region, and its culture of controlled growth, makes it difficult to add rooms. Combined with a fixed, high rise shell, it is a challenge for the hotel owner to change his layout and design unless he has the money, or inclination, to implode his hotel and rebuild from the ground up. Naturally, this is a highly unlikely, and potentially unprofitable, strategy. At the same time, none of Lake Tahoe's primary competitors face these considerable impediments to reinvestment

Another factor in the economic decay in Stateline over the past five years has been the serious and ongoing drought. With competition increasingly fierce, the lack of snow over the past several years has only intensified economic maladjustment. Similarly, with pictures on social media of stranded boat docks, overlooking receding waters, it makes it difficult to compete for summer vacationers.

Last, the economic recession has contributed to Lake Tahoe's recent economic maladjustment. While the recession from 2007-2013 impacted the entire nation, the effect was uneven. It is no secret that one of the states hardest hit by the recession was Nevada. Add to that the reality of the discriminating traveler who is much more likely to choose a modern resort destination with a diverse range of modern activities, amenities and entertainment, rather than one struggling with the weight of numerous other economic challenges.

The effort to reverse the disastrous cycle of deteriorating values and impaired investment focuses on two major projects. The first is a new, state of the art concert venue/event center. The Douglas County Master Plan succinctly explains the objective of this project, "is to revitalize the economy, contribute to the attainment of TRPA environmental threshold standards, including water quality and scenic vistas, and create a sustainable tourist destination, that provides access to recreational opportunities within walking and biking distance of the bed base which is intended to contribute to the reduction in vehicle miles traveled." It is a proven fact that visitors will travel long distances to attend a concert or special event in Stateline. However, without an indoor venue the realistic Lake Tahoe event season lasts no more than five months, at best. Investing in a multi-purpose venue is the first step in Stateline's effort to diversify its product, attract new visitors, and reverse its economic maladjustment.

The second development is the Edgewood Golf Course improvement project. "The project consists of a tourist accommodation complex with a total of 194 new tourist accommodation units, improvements in water and energy efficiency, and a new public beach." This project is designed as a new, high end, residential complex designed with the amenities and luxuries demanded by today's visitor. This is the first investment by Stateline to provide the type of accommodations its competition has been successfully constructing and marketing throughout the past decade.



### Specific Examples

It is obvious serious depreciation in values and economic maladjustment continues unabated in Stateline, and negatively impacts all of the properties within the redevelopment area. These deteriorating values began with shrinking gaming revenue, hotel visitation, tax receipts, employment and lack of investment due to the regulatory nature of the Lake Tahoe region. Over the years this has translated into limited or impaired investment by property owners. This limited and impaired investment by property owners and outside investors has been insufficient to reverse this downward spiral. The impacts are felt by all the other businesses within, or near, the redevelopment area which have also experienced the loss of income and customers.

Over time the economic maladjustment resulting from sinking private sector revenue, reductions in employment and declining population leads to social maladjustment. This social maladjustment takes the form of declining school enrollment, the threat of busing children to remote locations and an inability of many workers to afford housing close to where they work. Inevitably, this leads to the greatest social maladjustment of all, a loss of a sense of community.

In reviewing Douglas County budgets from fiscal year 2011-2012 to the present, it is clear how devastating Stateline's economic maladjustment has been on the County's tax receipts and how inadequate these revenues are in maintaining critical public services. For example, in 2011 Douglas County eliminated 65 positions and most employees experienced a voluntary salary reduction of 5%. These salary reductions were not completely restored until 2014. The county also eliminated some low priority programs to help address the budget shortfall.

In 2012 the County revealed that revenues continued to exceed expenses resulting in a \$3 million General Fund structural budget deficit. This \$3 million deficit was projected to endure until at least 2016 unless additional actions to bring expenses in line with revenues was taken. Accordingly, services such as airport operations, signal light maintenance, printing, and janitorial services, were outsourced.

2014's budget disclosed that state consolidated taxes, room taxes, sales taxes, gaming taxes, building revenue, and earnings on investments had all declined for the past four years. The consolidated tax is particularly significant since it represents 26% of the County's revenues. More specifically, Douglas County's share of the consolidated tax dropped from \$12,508,270 in 2006 to \$10,608,318 in 2014, a decline of \$1,899,952, or 15%. Douglas County's efforts to reverse these trends gained ground in 2015 when its unemployment rate fell to 8%. Unfortunately, this rate still lagged behind the State's 7.5% and the country's 6.1%.

It is clear from these statistics that Douglas County's ability to keep pace with the cost of increasing public services is severely strained. At the same time as Douglas County's revenues were declining, new costs from the State of Nevada for services increased County expenses by over \$500,000. Over time inadequate revenues lead to deferred maintenance, turnover of valued employees, and painful choices over which programs have to be cut back. Ultimately, a major factor contributing to the lack of adequate tax receipts and budget shortfalls in Douglas County is the economic decline emanating from Stateline.

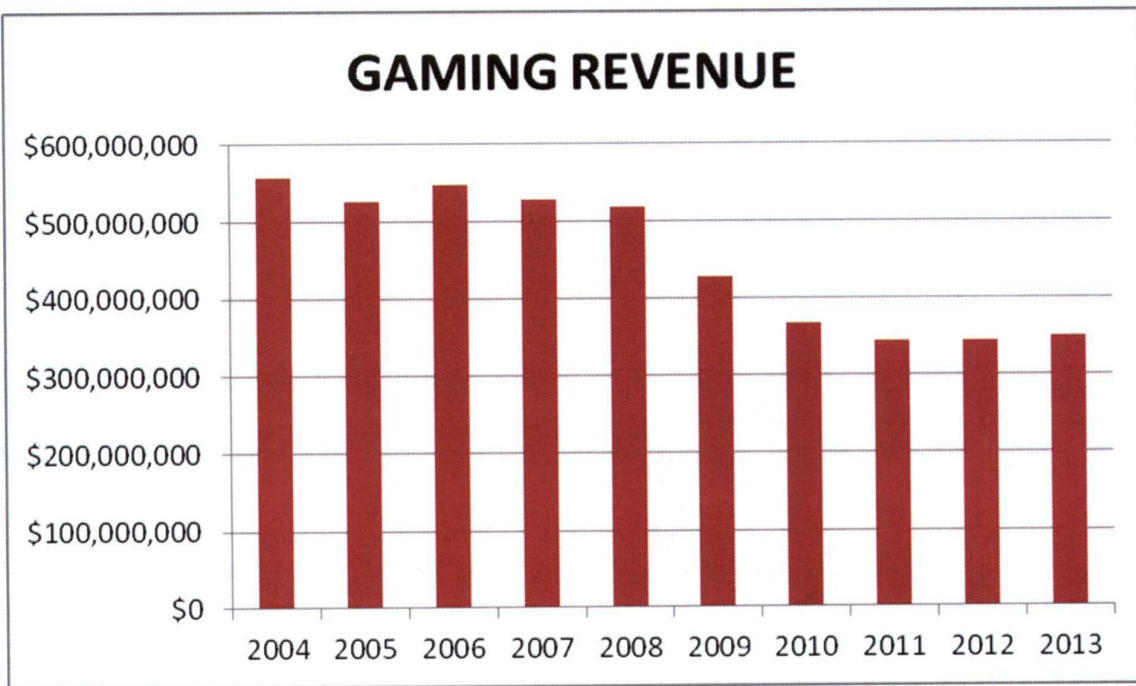


**Specific Examples (continued)**

Finally, deteriorating assessed values translate into lower property tax receipts straining the ability of local government to pay for critical services such as fire protection, schools, snow removal, law enforcement, environmental improvements, etc. These municipal services are critical to the health, safety and welfare of the entire area. To summarize, the existing status quo represents a level of revenue that is not sustainable for either the private or public sector in South Shore.

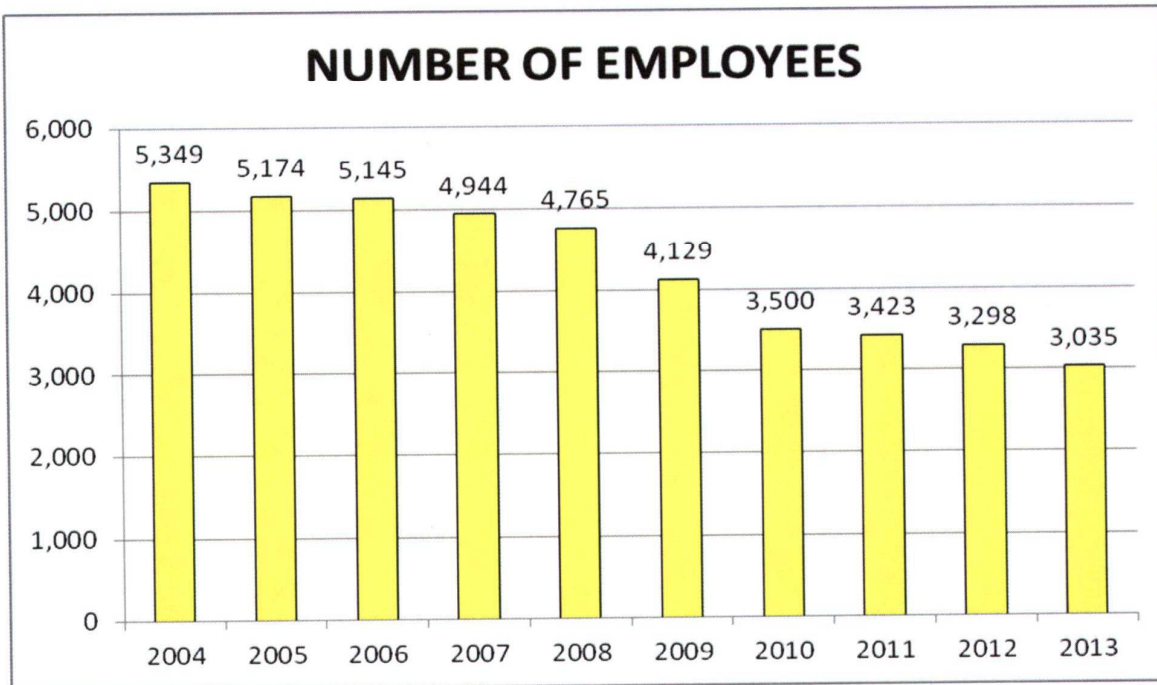
Consequently, it is obvious that all 12 properties in the redevelopment area, or 100%, can be considered blighted due to depreciated or deteriorating values.

### Gaming Revenue (chart #3)

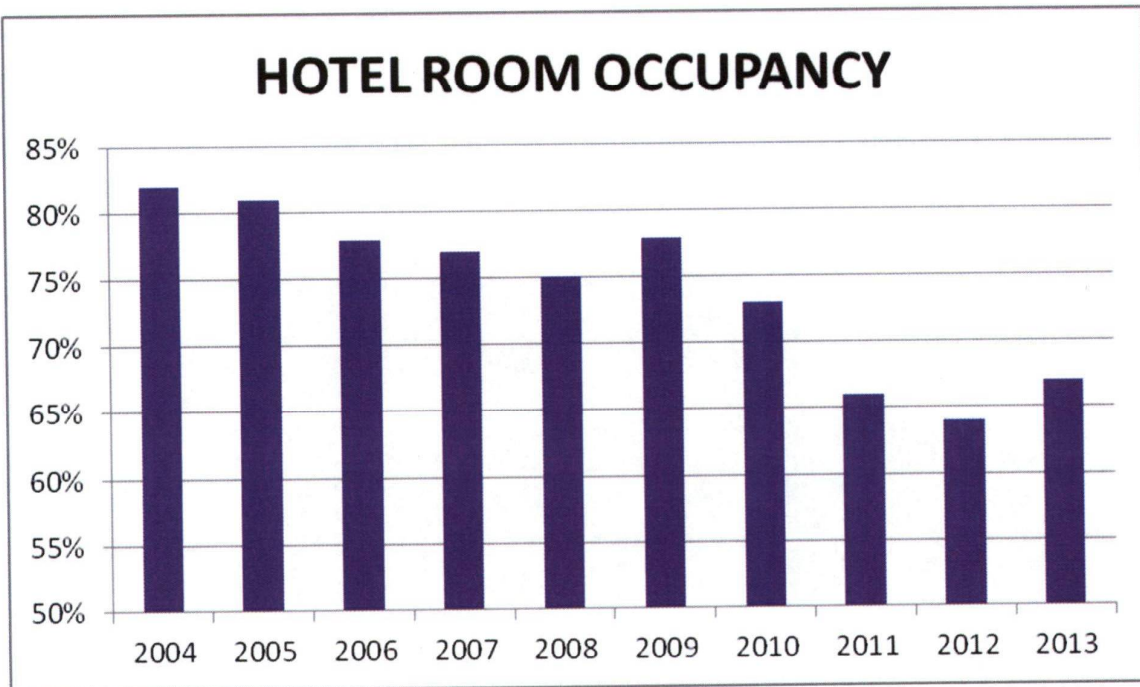




### Hotel Casino Employment (chart #4)

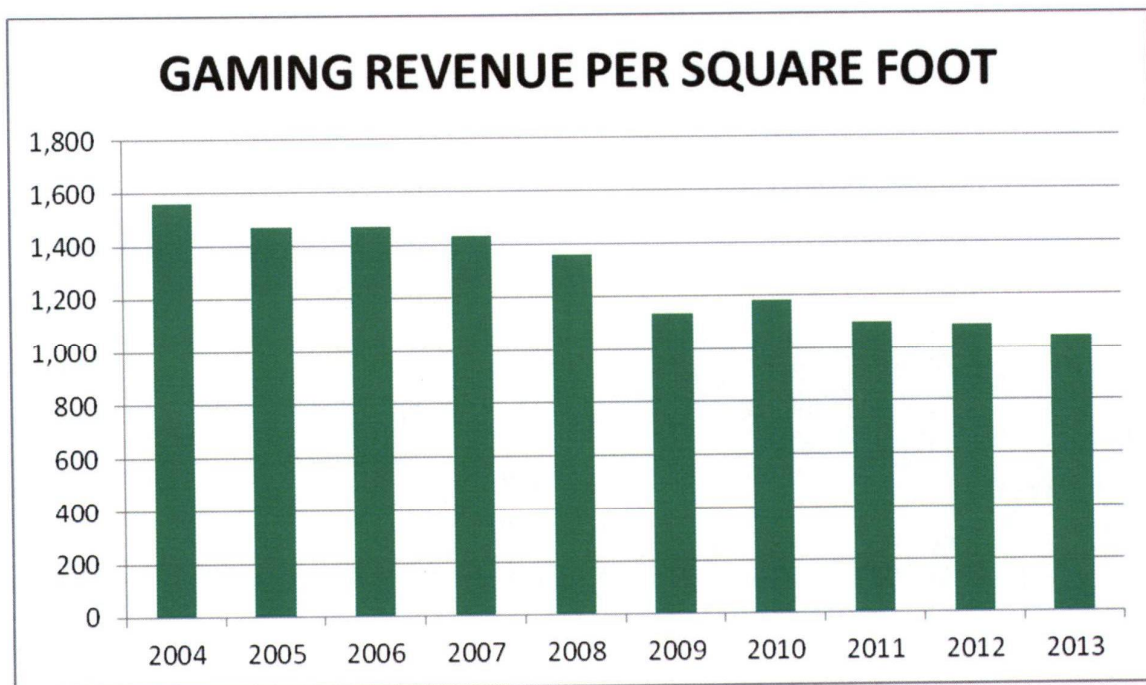


Room Occupancy (chart #5)

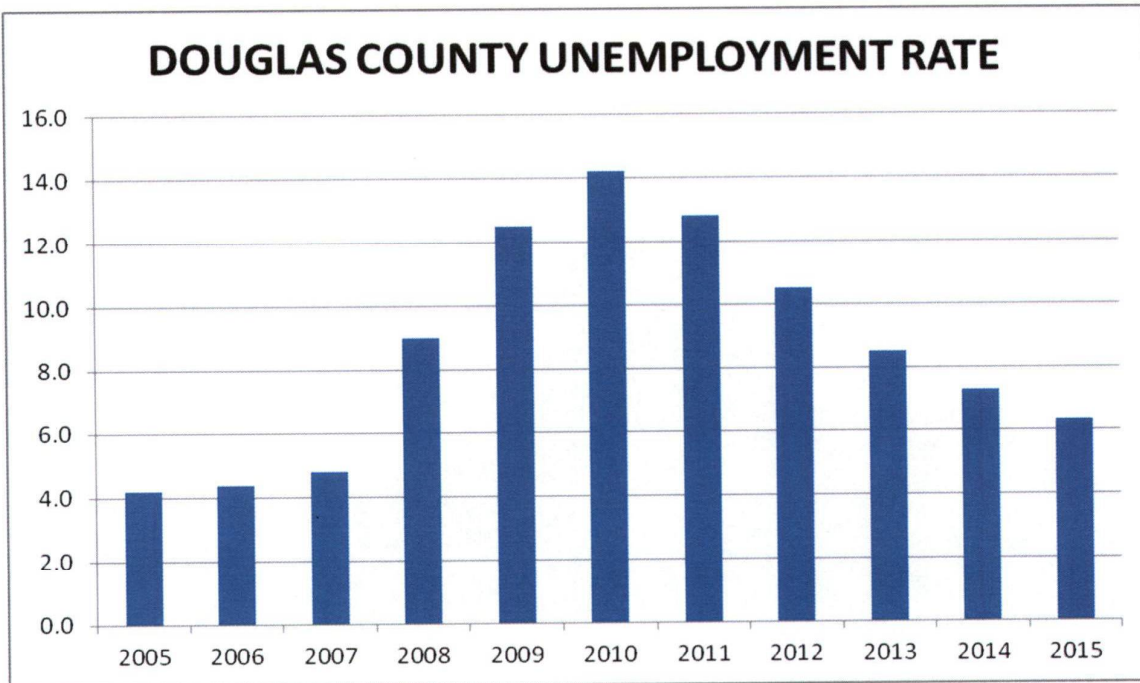




### Gaming Revenue Per Square Foot of Floor Space (chart #6)

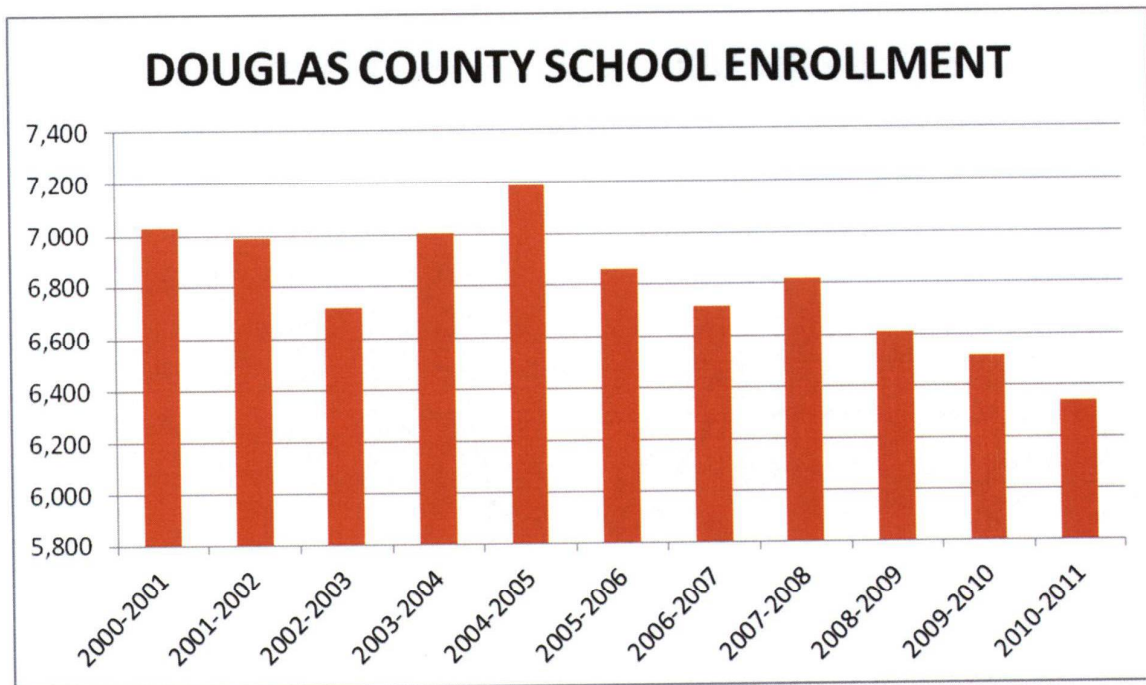


### Douglas County Unemployment (chart #7)

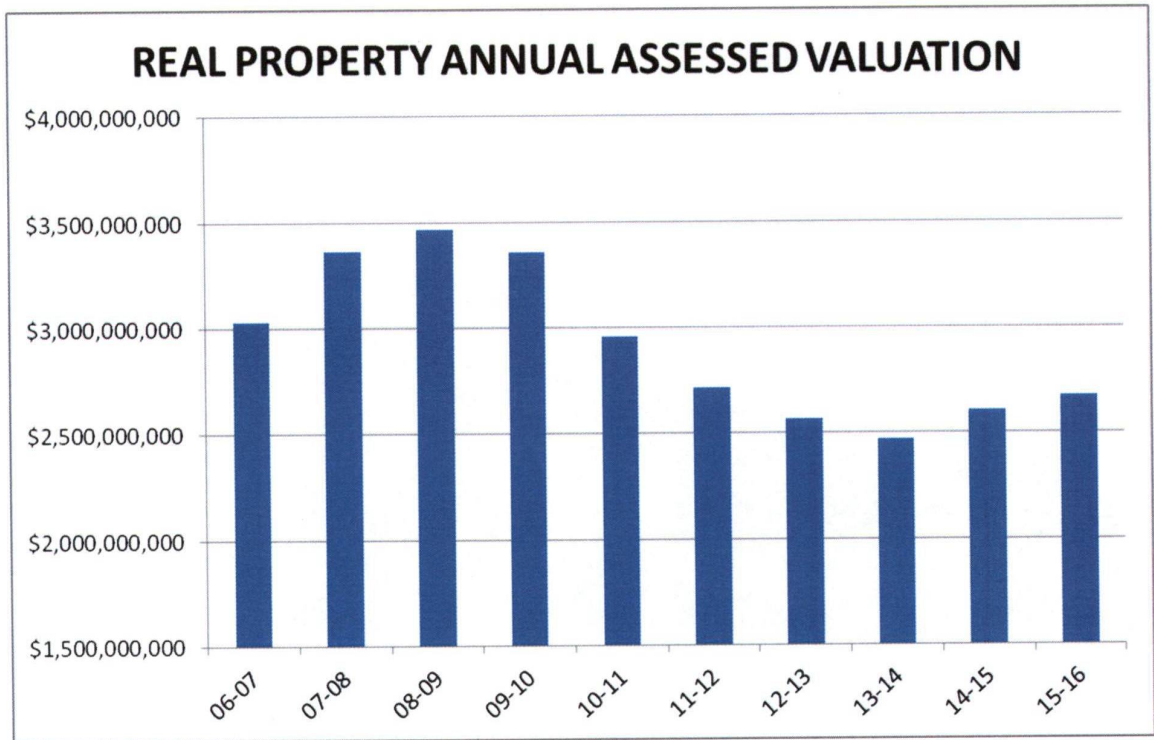


### School Enrollment (chart #8)





**Real Property Assessed Valuation (table #2)**



Attachment: Exh B -Report -- Redevelopment Area No. 2 (1358 : Submission of Redevelopment Plan and Report to BOCC)

<b>DOUGLAS COUNTY NEVADA</b>		
<b>REAL PROPERTY ANNUAL ASSESSED VALUATION</b>		
<b>Fiscal Year</b>	<b>Valuation</b>	<b>Percent Change</b>
06-07	\$3,029,303,657	27.01%
07-08	\$3,361,568,993	10.97%
08-09	\$3,471,506,400	3.27%
09-10	\$3,357,029,719	-3.30%
10-11	\$2,955,966,285	-11.95%
11-12	\$2,718,250,124	-8.04%
12-13	\$2,563,080,699	-5.71%
13-14	\$2,469,602,313	-3.65%
14-15	\$2,604,338,881	5.46%
15-16	\$2,678,207,114	2.84%
<b>TOTAL CHANGE</b>	<b>-\$351,096,543</b>	<b>-12%</b>



## 8. Growing, or Total Lack of, Proper Utilization

*Growing or total lack of proper utilization of some parts of the area, resulting in a stagnant and unproductive condition of land which is potentially useful and valuable for contributing to the public health, safety and welfare.*

*This factor refers to the existence of one or more conditions (such as declining or slowly growing property values, or vacant land dispersed among developing properties) that indicate the economic health of an area is declining or stagnating, and that by themselves, or in combination with other physical and social conditions, prevent the private marketplace from economically using, maintaining, upgrading, developing or redeveloping the area.*

### General Characteristics

The growth and proliferation of tribal gaming, an outdated business model and building design, the economic recession, the ongoing drought, the TRPA regulations which have dis-incentivized redevelopment, substantial increases in marketing by Lake Tahoe's most significant competitors, a decline in hotel occupancy and revenues, average room price and tax revenue, have already been mentioned as reasons for Stateline's economic stagnation. In turn, these factors have made it too risky for the private sector to redevelop existing properties or for outside investors to consider developing new projects within Douglas County Redevelopment Area #2.

The declining property values within the redevelopment area eventually result in land such as the Tahoe Shores mobile home court which is not employed to its highest and best use. A large, single owner parcel located on the Lake Tahoe shore has enormous redevelopment potential. Despite Stateline's serious economic stagnation, this unproductive site is ideally positioned to interest investors into redeveloping it.

Also, the enormous amount of surface parking dispersed among the five casinos represents an unproductive use of land which has significant potential for redevelopment (see pictures of underutilized surface parking lots). This vast amount of concrete was designed for a level of visitation which hasn't existed for years. Once a percentage of this acreage is redeveloped, considerable economic benefit will result. Redeveloping a portion of these surface parking lots will also produce environmental benefit through the reduction in sediment washing into Lake Tahoe. Redeveloping these stagnant and unproductive parking areas represents Lake Tahoe's best chance to arrest its economic decline.

Finally, unproductive interior space also exists within the hotel/casinos themselves. Many of the gaming areas and restaurants are closed during normal business hours because they were designed for a level of demand that has not existed for years. The current level of customers does not justify operating all the space, all hours of the day. Upgrading and redeveloping these areas with more modern amenities would provide a level of activity desired by the ideal customer. However, the current marketplace is prevented from upgrading these areas because it would not provide a sufficient return on investment.

**Specific Examples**

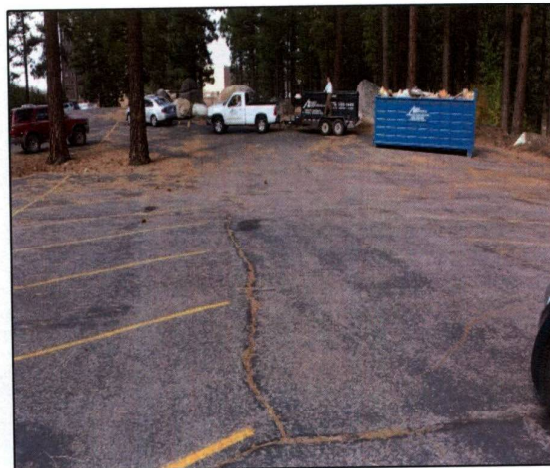
This blight factor is documented in several ways. Evidence of declining property values and inadequate tax receipts is derived from County records. Confirmation of economic stagnation is provided through tables on decreasing employment, revenue, hotel occupancy, and tax receipts. Proof of housing stagnation results from information on the dwindling number of households in the Tahoe Basin and plummeting school enrollment.

Most importantly, the prime redevelopment sites in Stateline are located in the unproductive Tahoe Shores mobile home court and the underutilized parking surfaces at several hotels. Combined with the underutilized areas within the casinos, these various redevelopment opportunities have significant potential to begin reversing Stateline's economic deterioration. Ultimately, redevelopment of these prime sites is the best chance Stateline has for improving the health, safety and welfare of all of the businesses and residents within the redevelopment area. However, until Lake Tahoe is able to reverse its economic decline, investors will devote invest their capital in more lucrative locations.

In summary, all 12 properties, or 100% of the area is considered blighted according to this factor.

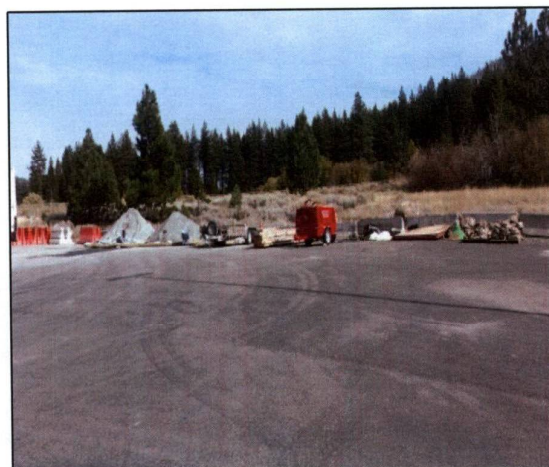


### Underutilized Surface Parking Lots (pictures)





Douglas County Redevelopment Area #2 | Blight Study



Attachment: Exh B -Report -- Redevelopment Area No. 2 (1358 : Submission of Redevelopment Plan and Report to BOCC)





## 9. Loss of Population or Use

*Loss of population and a reduction of proper use of some parts of the area, resulting in further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere.*

### General Characteristics

Simultaneous with the dramatic economic deterioration in Douglas County Redevelopment Area #2 has been a corresponding loss of population. According to the 2013 Douglas County Master Plan, the population in the Tahoe Planning Area declined from 6,739 persons in 2000 to 5,227 in 2011, a reduction of 52%. More specifically, according to the 2011 Master Plan of Existing Conditions the population of the Stateline CDP was 1,215 in 2000 but dwindled to 842 by 2010, a decline of 31%. (chart #10). These statistics, in and among themselves demonstrate that Stateline is blighted according the factor of loss of population.

In addition, Stateline's loss of population has far reaching effects beyond its declining economic prosperity, and impacts factors which are considered social blight. According to the Lake Tahoe Basin and Prosperity Plan, "in addition to the job losses and economic trends another factor contributing to population changes is related to housing market conditions. As a result of accelerated housing values in the earlier part of the decade, many longtime residents sold to second home owners and investors. This increased the cost of housing beyond the level many of the workers in the Lake Tahoe Basin could afford. While the recent downturn has helped to reduce the cost of housing in some areas, the large levels of job loss and economic distress indicators create ongoing challenges of affordable housing and added cost to the taxpayer. Ultimately, in 2010 most teachers, firefighters, and police officers, lacked the purchasing power to qualify for home ownership in the Tahoe Basin. Entry level workers were locked out of the market, and even experienced workers could not purchase housing in certain communities around the Lake."

The diminishing household population also leads to stagnation in school enrollment, another classic social blight condition. More specifically, school enrollment declined in Tahoe schools from a total of 822 students in 1990-91 to 431 students in 2010-2011, an astonishing 48% decline. Ultimately, this falling enrollment resulted in the closing of Kingsbury Middle School in 2008 and the possibility of busing students to the Carson Valley or South Lake Tahoe. While the closing of Kingsbury Middle School might have saved some money in the short run, if students are bused to other locations it would add costs to the taxpayer for new services.

Finally, the reluctance of existing businessmen to redevelop their properties, due to the loss of population and customers, results in further deterioration and impacts which are often invisible. The Lake Tahoe Basin Prosperity Plan states, "the difficulties businesses face in investing in property improvements contributes to increased runoff and deterioration from aging infrastructure and properties, including visual and functional blight. This cycle further erodes the viability of the Tahoe Basin as a world class tourist destination and as a healthy and livable community for residents and families."



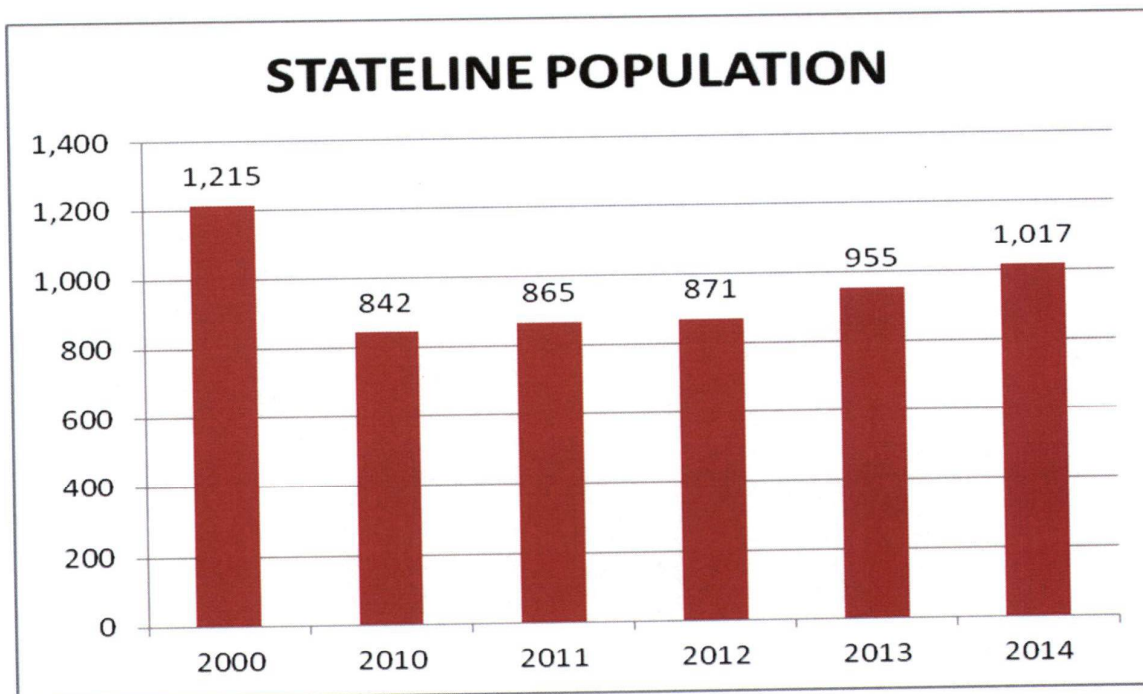
**General Characteristics (continued)**

**Specific Examples**

The category of population loss is one of the most dramatic and compelling demonstrations of blight experienced by Stateline. This population loss negatively affects all of the properties in the proposed redevelopment area. According to the Economic Vitality and Action Plan, "the dramatic population loss leads to a greatly diminished sense of community to support vital community services and quality of life."

With a population decline of 31% in just ten years, it is apparent that all 12 properties can be considered blighted due to population loss.

**Population Stateline (Charts #10)**





## Conclusion

NRS 279.388 requires that to be considered blighted a proposed redevelopment area must be characterized by at least four factors. The proposed Douglas County Redevelopment Area #2 exceeds this requirement. **In fact, of the nine factors provided in NRS statutes, blight has been demonstrated in eight of them. Furthermore, blight predominates in six of the nine.**

**When further divided into the more commonly used 13 factors used in this Study, blight is documented in 10 of the 13 (table #3). Accordingly, it is clearly evident that the blight which exists in Douglas County Redevelopment Area #2 constitutes a serious menace to the health, safety and welfare of the Lake Tahoe area.**

### Economic Conditions of Blight

Blight in Stateline, resulting from economic maladjustment, is severe, ongoing and unmistakable.

Hotel/casino revenues have declined at a rate of 37%, gaming revenue at 38%, employment in the gaming sector 43%, average room occupancy 15%, gaming revenue per square foot of floor space 33%, and property values 12%. Unemployment has increased from 6% in 1990 to 14.8% in 2012. Combine these trends with the prolonged drought, the near decade long recession, and the increasing fierce and sophisticated competition, and you have a textbook case of economic maladjustment and stagnation. While it could be argued that the drought and economic recession are cyclical, and subject to end, it is unmistakable that all the other conditions of economic maladjustment are structural, and will not expire without significant intervention.

### Physical Conditions of Blight

Blight in Stateline resulting from physical conditions is serious and pervasive.

One of the foremost examples of Stateline's physical blight is traffic on US Highway Route 50. Until a loop road is constructed to redirect traffic around the casino core, there will be no chance to convert Stateline into a friendlier, pedestrian oriented, sense of place.

Secondly, several hotels maintain unused parking, which is a characteristic of blight due to underutilized or vacant land. Parlayed with a street system that has no (or limited) curbs or gutters, a situation exists where sediment easily flows into Lake Tahoe degrading its water quality. An attempt to address this problem through the Kahle Basin storm water treatment project has been constrained due to lack of funding.

Third, the presence of overhead electrical transmission lines contributes to visual blight and is a threat to safety due to recurrent power outages.

Finally, if one combines the reluctance or inability of current business owners to upgrade and/or redevelop their properties, with the unwillingness of new investors to consider investing in Stateline due to economic distress, you have all the ingredients for continued deterioration and dilapidation. This classic example of physical blight due to impaired, or lack of new investment, continues to afflict Stateline to this day.



## Social Conditions of Blight

Blight in Stateline due to social maladjustment is extensive and threatens its sense of community.

The reasons for this situation are numerous and varied. For example, the workers who provide critical health and safety services to the entire region are often unable to afford a home where they work. This dilemma is compounded due to the uncommon nature of the housing market where 49% of the homes are owned by second home owners. Also, the threat of children being bused to schools in outlying areas resulting from a 48% decline in enrollment persists.

All these examples are classic social blight characteristics and show no signs of ending without concerted private and public sector efforts.

## Closing Comments

Collectively, the conditions currently present in Stateline are textbook examples of blight. These conditions demonstrate why the Nevada State Legislature created the Community Redevelopment statutes. These enabling laws provide a uniquely crafted tool to address dilapidation, economic maladjustment, population loss, and stagnating physical and social conditions. Without intervention by the public and/or private sectors, the current economic trend in Stateline is economically unsustainable and will continue to constitute a menace to the health, safety and welfare of Lake Tahoe's residents.

**Summary of Blight Conditions (Table #3)**

<b>Blight Factor</b>	<b>Blighted Properties</b>	<b>Percent Blighted</b>
1 (a) Defective design	0	0%
1 (b) Faulty arrangement and spacing of buildings	5	42%
1 (c) Overcrowding	0	0%
1 (d) Inadequate ventilation, light, sanitation, open spaces, and recreation facilities	1	8%
1 (e) Age, obsolescence, deterioration, dilapidation, mixed character shifting of uses	10	83%
2) Faulty Planning	2	17%
3) Lots of irregular form, shape or size	1	8%
4) Lots in disregard to contours or other physical characteristics	8	67%
5) Inadequate streets, open spaces and utilities	12	100%
6) Lots which may be submerged	0	0%
7) Depreciated values, impaired investments, and social and economic maladjustment	12	100%
8) Stagnant and unproductive condition of land	12	100%
9) Loss of population resulting in further deterioration and added costs to the taxpayer	12	100%

## **DOUGLAS COUNTY REDEVELOPMENT AGENCY**

# **ECONOMIC FEASIBILITY OF REDEVELOPMENT PLAN**

## **January 21, 2016**

Attachment: Exh B -Report -- Redevelopment Area No. 2 (1358 : Submission of Redevelopment Plan and Report to BOCC)



### **III. PROPOSED METHOD OF FINANCING AND ECONOMIC FEASIBILITY OF THE REDEVELOPMENT PLAN**

Section 279.572 of the Nevada Revised Statutes (NRS) requires that a Report to the legislative body include information on the proposed method of financing the redevelopment plan in sufficient detail so that the legislative body may determine the economic feasibility of the Redevelopment Project Area. This Part III includes information on the estimated costs of the program of redevelopment; describes the various financing sources that may be used; and demonstrates the economic feasibility of the Project Area. Economic feasibility has been shown by comparing the projected revenues to be generated in the Project Area to the estimated costs of the redevelopment program on a net present value basis. The financial analysis also takes into account the time limitations that are contained in the NRS, including a 20 year time limit to incur debt and a 30 year time limit to receive tax increment revenues.

#### **A. REDEVELOPMENT PROGRAM COSTS**

The costs to implement the redevelopment program are summarized on Table 1. The costs on Table 1 are shown in current (2016) dollars. In addition to the program costs shown on Table 1, the Agency will need to incur expenses for administration of the Project Area. Such costs will include staff time, legal and technical assistance, and the preparation of planning studies and reports.

The total costs for the Agency's revitalization effort is estimated at \$95 million in 2016 dollars. A portion of these costs are assumed to be covered from sources other than tax increment, leaving net project costs of \$41 million, plus administrative costs.

The proposed redevelopment program includes: 1) an economic development program; 2) street and bicycle improvements; 3) flood control improvements; and 4) a community facilities program. The programs are designed to address the most significant blighting conditions in the Project Area and to promote economic development. It is believed that as remaining blighting conditions are further reduced that new private sector investment will occur in the Project Area and lead to further removal of blight. Therefore, the Agency's program of redevelopment will serve as a catalyst to remove blighting conditions and spur private investment.

Other redevelopment activities may also be necessary to alleviate blighting conditions, facilitate development or otherwise carry out the Agency's purposes in the Project Area. In addition, the Agency will incur various administrative costs associated with implementing the Project Area. These will include staff time; special legal and technical assistance; and preparing planning and other studies.

## **B. FINANCING METHODS AND ALTERNATIVES AVAILABLE TO FUND REDEVELOPMENT**

The proposed Redevelopment Plan authorizes the Agency to fund activities from a variety of sources, including: financial assistance from the County, the State and the federal government; tax increment funds; Agency bonds; donations; interest income; loans from private financial institutions; the lease or sale of Agency owned property; public-private partnerships; and any other legally available public or private sources of funding.

The Agency is also authorized to obtain advances, borrow funds and create indebtedness in various forms. This includes the issuance of bonds. The indebtedness and bonds can be repaid from tax increment revenues or other funds available to the Agency.

### **SOURCES OTHER THAN TAX INCREMENT**

Financial assistance from the County, state and federal government may be used by the Agency to fund redevelopment program expenses. However, the County's general fund is not in a position to provide the funding needed for a revitalization effort. The County may consider using a portion of the transient occupancy revenues it receives and dedicates to promotions, specifically from the growth in tourist facilities in the Project Area. The Agency will also actively solicit financial assistance in the form of grants and loans from the State and federal government. This form of funding may provide a part of the funding that cannot be provided through tax increment financing.

As part of the implementation of redevelopment, the Agency may acquire property. The sale of such property would create a resource that can be used to fund redevelopment activities. In most instances, land sale proceeds only offset a portion of the costs for a specific development project, and do not create a resource that is available for a general revitalization effort. Specific information on land acquisition or sale proceeds is not specifically known at this time, but may provide a part of the funding for the Agency's programs.

#### *Tax Increment Revenues, Bonds and Limitations*

Table 2 provides an estimate of the tax increment revenues that could be generated over the 30 year period when the Agency can receive tax increment. The tax increment revenue projection is based on the following assumptions:



- The current assessed value of property in the Project Area for 2015-16, which is the base year for the Project Area, of \$86 million.
- An underlying adjustment of 3 percent annually beginning with the 2017-18 fiscal year. Nevada law generally requires that residential property tax bills cannot increase by more than 3 percent per year and in a range between 8 percent and twice the CPI growth factor from the prior year for all other property. For Douglas County, the tax cap for all other property was 3.2 percent for 2015-16. Inflation has been very low through most of 2015, and so we have not increased values for an inflation factor for 2016-17.
- A reduction in tax increment revenues for those properties that are subject to the abatement of property taxes. The reduction has been calculated based on the incremental growth in the abatement of property taxes that occurs based on the underlying 3 percent growth used in the projections.
- New development activity that is assumed to occur as shown on Table 3. These reflect increased land values and improvement values for projects that are either under way or in the pipe line. The value estimates have been developed in conjunction with the County Assessor and are consistent with the required provisions of Nevada law. Generally, property is assessed in Nevada based on a market approach for the land (typically sales price) and replacement cost for improvements as derived from information contained in the Marshal and Swift valuation service.

Net tax increment shown on Table 2 is estimated at \$113.3 million in future dollars and \$47.2 million in current (2016) dollars, assuming a 5 percent discount rate. The discount rate is based on the borrowing costs for public entities. The Agency will also be authorized to issue tax allocation bonds under the Redevelopment Plan, although we have not made any assumptions for the timing and amount of such bond issuances.

### C. PROPOSED FINANCING METHOD AND ECONOMIC FEASIBILITY

The proposed method of financing redevelopment and the economic feasibility of the Project Area have been demonstrated by comparing aggregate costs to aggregate revenues on a net present value basis to determine the overall feasibility of the Project Area. This is shown on the chart below.

Project Feasibility	
Total Tax Increment	\$47,193,124
Project Costs	45,410,420
<b>Difference</b>	<b>1,782,704</b>



It should be noted that the analysis shown in this section is based on one set of assumptions for implementation of redevelopment. It should not be considered the only means to finance redevelopment of the Project Area. The analysis does indicate that the Project Area is financially feasible given the set of assumptions that underlie the projections. The primary assumptions in this regard are that the costs for redevelopment activities are as projected and that new development activity will occur in the Project Area.

The overall picture for Project implementation indicates that the Agency can meet a substantial portion of the costs for the programs outlined in this section. Thus, the Project Area would be financially feasible. At the end of the Project Area all but \$1.8 million of the resources generated by the Project Area would be used. The funding amount represents a hedge against future uncertainties.

Table 1  
Douglas County  
Stateline Project Area

**PROJECTS AND PROGRAMS**

	Total Estimated Cost	Estimated Amount Funded by Tax Inc.(2)
<b><u>Economic Development</u></b>		
Projects & Programs to Enhance Stateline Main Street		
Public Art	1,500,000	
Wayfinding Signage	400,000	
Business Incubator (seed funding)	500,000	
<b>Total</b>	<b>2,400,000</b>	<b>1,500,000</b>
<b><u>Street and Bicycle Improvements</u></b>		
Khale Drive Reconstruction	900,000	
Khale Drive Streetscape (preliminary estimate)	7,000,000	
Round Hill Bike Path Connector to Khale Park	850,000	
Van Sickle Bi-State Park Connector to Khale Park	12,000,000	
Stateline-to-Statelinle Bikeway–Laura Drive to Lake Parkway	3,000,000	
Stateline-to-Statelinle Bikeway–Round Hill Pines to Zephyr Cove	6,000,000	
<b>Total</b>	<b>29,750,000</b>	<b>13,387,500</b>
<b><u>Flood Control</u></b>		
Lower Khale Drive Water Quality Improvements	1,100,000	
<b>Total</b>	<b>1,100,000</b>	<b>550,000</b>
<b><u>Community Facilities</u></b>		
Khale Park Bleacher Retaining Wall	35,000	
Khale Community Center Phase III	8,500,000	
Khale Community Center Attic Expansion	3,000,000	
Indoor Entertainment Venue	50,000,000	
<b>Total</b>	<b>61,535,000</b>	<b>25,844,700</b>
<b>Subtotal - Project Costs</b>	<b>94,785,000</b>	<b>41,282,200</b>
<b>Administrative Costs (1)</b>		<b>4,128,220</b>
<b>GRAND TOTAL</b>	<b>94,785,000</b>	<b>45,410,420</b>

(1) Estimated at 10 percent of project costs.

(2) Portion of project costs assumed to be funded through tax increment financing.

Table 2  
Douglas County  
Stateline Project Area

**PROJECTION OF INCREMENTAL TAX REVENUE**  
(000's Omitted)

Plan Year	Fiscal Year	Year	(1) Beginning Value	(2) New Development	Total Value	Incremental Value Over Base Of \$86,035,685	(3) Tax Increment	(4) Less: Incremental Abatement	Net Tax Increment	Net Present Value @ 5%
1	2015	- 2016	\$86,035,685	\$0	\$86,035,685	\$0	\$0	\$0	\$0	
2	2016	- 2017	86,035,685	27,337,188	113,372,873	27,337,188	772,832	5,095	767,736	696,359
3	2017	- 2018	116,774,059	17,502,188	134,276,246	48,240,561	1,363,197	10,250	1,352,947	1,168,726
4	2018	- 2019	138,304,534	6,943,125	145,247,659	59,211,974	1,690,338	15,461	1,674,877	1,377,925
5	2019	- 2020	149,605,089	8,820,000	158,425,089	72,389,403	2,088,026	20,729	2,067,297	1,619,781
6	2020	- 2021	163,177,841	1,312,500	164,490,341	78,454,656	2,254,717	26,051	2,228,666	1,663,065
7	2021	- 2022	169,425,051	1,312,500	170,737,551	84,701,866	2,426,408	31,425	2,394,983	1,702,069
8	2022	- 2023	175,859,678	0	175,859,678	89,823,993	2,568,330	36,851	2,531,479	1,713,404
9	2023	- 2024	181,135,468	0	181,135,468	95,099,783	2,714,509	42,326	2,672,183	1,722,513
10	2024	- 2025	186,569,532	0	186,569,532	100,533,847	2,865,074	47,847	2,817,227	1,729,533
11	2025	- 2026	192,166,618	0	192,166,618	106,130,933	3,020,156	53,413	2,966,742	1,734,593
12	2026	- 2027	197,931,617	0	197,931,617	111,895,932	3,179,890	59,021	3,120,869	1,737,817
13	2027	- 2028	203,869,565	0	203,869,565	117,833,880	3,344,416	64,668	3,279,748	1,739,320
14	2028	- 2029	209,985,652	0	209,985,652	123,949,967	3,513,878	70,351	3,443,527	1,739,215
15	2029	- 2030	216,285,222	0	216,285,222	130,249,537	3,688,424	76,067	3,612,357	1,737,605
16	2030	- 2031	222,773,779	0	222,773,779	136,738,093	3,868,206	81,813	3,786,393	1,734,590
17	2031	- 2032	229,456,992	0	229,456,992	143,421,307	4,053,382	87,585	3,965,797	1,730,264
18	2032	- 2033	236,340,702	0	236,340,702	150,305,016	4,244,113	93,378	4,150,735	1,724,716
19	2033	- 2034	243,430,923	0	243,430,923	157,395,238	4,440,566	99,190	4,341,376	1,718,030
20	2034	- 2035	250,733,850	0	250,733,850	164,698,165	4,642,912	105,015	4,537,898	1,710,286
21	2035	- 2036	258,255,866	0	258,255,866	172,220,181	4,851,329	110,848	4,740,481	1,701,559
22	2036	- 2037	266,003,542	0	266,003,542	179,967,857	5,065,999	116,686	4,949,313	1,691,922
23	2037	- 2038	273,983,648	0	273,983,648	187,947,963	5,287,108	122,521	5,164,587	1,681,441
24	2038	- 2039	282,203,158	0	282,203,158	196,167,472	5,514,851	128,349	5,386,502	1,670,181
25	2039	- 2040	290,669,252	0	290,669,252	204,633,567	5,749,426	134,163	5,615,263	1,658,203
26	2040	- 2041	299,389,330	0	299,389,330	213,353,645	5,991,038	139,958	5,851,081	1,645,562
27	2041	- 2042	308,371,010	0	308,371,010	222,335,325	6,239,899	146,725	6,094,174	1,632,314
28	2042	- 2043	317,622,140	0	317,622,140	231,586,455	6,496,225	151,459	6,344,767	1,618,510
29	2043	- 2044	327,150,804	0	327,150,804	241,115,119	6,760,242	157,151	6,603,091	1,604,197
30	2044	- 2045	336,965,328	0	336,965,328	250,929,643	7,032,178	162,793	6,869,386	1,589,421
<b>Cumulative Total</b>							<b>115,727,667</b>	<b>2,396,188</b>	<b>113,331,479</b>	<b>47,193,124</b>

- (1) Beginning Value held constant in 2016-17 and then increased by 3 percent per year.
- (2) See Table 2, Estimated Value from New Development
- (3) Based on the application of tax rate that ranges from 2.6606% to 3.2358%.  
The tax rates have been reduced for those that are not excluded in the calculation of tax increment.
- (4) Estimated incremental growth in abatement of taxes based on 3.2% cap.

Fraser Associates  
tax inc sum

1/9/2016  
Douglas Co Stateline Projections.xlsx



Table 3  
Douglas County  
Stateline Project Area

**New Development Assumptions**

	APN	Square footage / Units	Value Assumption	Taxable Value	Assessed Value @ 35%	16-17 AV	17-18 AV	18-19 AV	19-20 AV	20-21 AV	21-22 AV
<b>Edgewood Tahoe Resort (Lodge)</b>											
Land Value Increase	1318-27-001-016		Assessor Email 11/12/15		10,780,000	10,780,000					
Improvement Value		180 K / 154 units	\$375 sq fr less LEED (1)	50,625,000	17,718,750	5,847,188	11,871,563				
<b>Edgewood Tahoe Resort (Cabins)</b>											
Land Value Increase	1318-27-001-017		Assessor Email 11/12/15		2,800,000	2,800,000					
Improvement Value		10 cabins	\$500 K Per Unit less LEED (2)	15,000,000	5,250,000			1,312,500	1,312,500	1,312,500	1,312,500
<b>Tahoe Beach Club</b>											
Land Value Increase	1318-22-002-001		Assessor Email 11/12/15	22,600,000	7,910,000	7,910,000					
Improvement Value	1318-22-002-002	143 units	\$500 K Per Unit less LEED (2)	53,625,000	18,768,750		5,630,625	5,630,625	7,507,500		
<b>Grand Total</b>				<b>141,850,000</b>	<b>63,227,500</b>	<b>27,337,188</b>	<b>17,502,188</b>	<b>6,943,125</b>	<b>8,820,000</b>	<b>1,312,500</b>	<b>1,312,500</b>

(1) The \$375 per square foot is the average between construction costs (\$539) and the original estimate from the Assessor (\$212). Facility is assumed to be of higher value than originally assumed. The per square foot value has been reduced by 25% for the potential impact of LEED abatement.  
The per square foot value has been reduced by 25% for the potential impact of LEED abatement.

**RULES GOVERNING PARTICIPATION BY PROPERTY OWNERS  
AND THE EXTENSION OF REASONABLE PREFERENCES TO  
PROPERTY OWNERS IN THE LAKE REDEVELOPMENT AREA,  
DOUGLAS COUNTY NEVADA**

January 21, 2016



*Great people. Great places.*

## 1. [100] PURPOSE AND INTENT

These rules are adopted pursuant to the Community Redevelopment Law of the State of Nevada in order to implement the provisions of the Redevelopment Plan for the Lake Redevelopment Project regarding participation of property owners and the extension of reasonable preferences to business occupants within the Project Area. These rules set forth the procedures governing such participation and preferences.

It is the intention of the Agency to permit participation in the redevelopment of the Project Area by property owners and to extend reasonable preferences to business occupants of real property within the boundaries of the Project Area to the maximum extent consistent with the objectives of the Lake Redevelopment Plan.

## 2. [200] DEFINITIONS

As used herein, the following definitions apply:

- A. "Agency" means the Douglas County Redevelopment Agency.
- B. "Business Occupant" means any person, persons, corporation, association, partnership, or other entity engaged in business within the Project Area on or after the date of adoption of the Redevelopment Plan by the Board of County Commissioners.
- C. "County Commission" means the five duly elected Douglas County Commissioners, Douglas County, Nevada.
- D. "Owner" means any person or persons, corporation, association, partnership, or other entity engaged in business within the Project Areas on or after the date of adoption of the Lake Redevelopment Plan by the Douglas County Commission.
- E. "Owner Participation Agreement" means an agreement entered into by an Owner with the Agency in accordance with the provisions of the Redevelopment Plan and these rules.
- F. "Project Area" means the areas described in the "Legal Description of the Project Area Boundaries" and shown on the "Project Area Map" (Exhibit A of the Redevelopment Plan)
- G. "Redevelopment Plan" means the Lake Redevelopment Plan for Lake Tahoe, Nevada as adopted by the Douglas County Commission Ordinance no. 2016-1456 on February 18, 2016.

## 3. [300] ELIGIBILITY

Owners shall be eligible to participate in the redevelopment of property within the Project Area in accordance with the provisions of the Redevelopment Plan, these rules, and the limitations herein described.



Participation opportunities are necessarily subject to, and limited by, factors such as the following:

- A. The appropriateness of land uses proposed and consistent with the Douglas County Master Plan and the Lake Redevelopment Plan;
- B. The construction, widening, or realignment of streets;
- C. The ability of participants to finance acquisition and development in accordance with the Lake Redevelopment Plan and development criteria adopted by the Agency in implementation of the Redevelopment Plan;
- D. The desirability of land assemblage in the Project Area in order to create efficient and marketable commercial and industrial parcels;
- E. The construction or expansion of public facilities; and
- F. The elimination of incompatible and non-conforming land uses.

The Agency contemplates that in carrying out the Redevelopment Plan, certain portions of the Project Area may be acquired by the Agency for public improvements, facilities, and utilities and for other uses and purposes in accordance with the Redevelopment Plan. Therefore, owner participation opportunities will not be available for such properties.

#### 4. [400] TYPES OF PARTICIPATION

Subject to these rules, and limitations in Section 300 and this Section 400, Owners shall be given a reasonable opportunity to participate in redevelopment by:

- A. Retaining all or a portion of their properties and developing or improving such property for use in accordance with the Redevelopment Plan;
- B. Acquiring adjacent or other properties within the Project Areas and developing or improving such property for use in accordance with the Redevelopment Plan; or
- C. Selling their properties to the Agency and purchasing other properties in the Project Areas.

The foregoing methods of providing owner participation opportunities shall not be deemed exclusive.

#### 5. [500] CONFORMING OWNERS

The Agency may, in its sole and absolute discretion, determine that certain real property within the Project Area presently meets the requirements of the Redevelopment Plan, and the Owners of such property will be permitted to remain as conforming Owners without an Owner Participation Agreement with the Agency, provided such Owners continue to operate, use, and maintain the real property within the requirements of the Lake Redevelopment Plan.

In the event that any of the conforming Owners desire to (1) construct any additional improvements or substantially alter or modify existing structures on any of the real property described above as conforming, or (2) acquire additional property within the Project Area, then in such event, such conforming Owners may be required by the Agency to enter into an Owner Participation Agreement with the Agency.

## 6. [600] OWNER PARTICIPATION AGREEMENTS

Owners wishing to participate in redevelopment within the Project Area may be required, as a condition to participation, to enter into an Owner Participation Agreement with the Agency if the Agency determines it is necessary to impose upon the property any of the standards, restrictions, and controls of the Lake Redevelopment Plan. The Agreement may require the participant to join in the recordation of such documents as the Agency may require in order to ensure the property will be developed and used in accordance with the Lake Redevelopment Plan and the Owner Participation Agreement.

## 7. [700] CONTENTS OF OWNER PARTICIPATION AGREEMENTS

An Owner Participation Agreement shall obligate the Owner, his or her heirs, successors and assigns, and tenants to devote the property to the uses specified in the Lake Redevelopment Plan, abide by all provisions and conditions of the Redevelopment Plan for the period of time that the Redevelopment Plan is in force and effect and comply with all the provisions of the Owner Participation Agreement according to their terms, duration, and effect.

An Owner Participation Agreement may provide that if the Owner does not comply with the terms of the Agreement, the Agency, in addition to other remedies, may acquire such property or any interest therein by any lawful means, including eminent domain for its fair market value as of the date of the Owner Participation Agreement and the Agency may thereafter dispose of the property or interest so acquired in accordance with the Lake Redevelopment Plan.

An Owner Participation Agreement shall contain such other terms and conditions which, in the discretion of the Agency, may be necessary to effectuate the purposes of the Lake Redevelopment Plan.

## 8. [800] LIMITATIONS ON ACQUISITION OF PROPERTY BY THE AGENCY

The Agency shall not acquire real property to be retained and developed by an Owner pursuant to a fully executed Owner Participation Agreement if the Owner fully performs under the Agreement.

The Agency shall not acquire real property on which an existing building is to be continued on its present site under the Redevelopment Plan and in its present form and use without the consent of the Owner, unless:

- A. Such building requires structural alteration, improvement, modernization, or rehabilitation;
- B. The site or lot on which the building is situated requires modification in size, shape, or use; or

- C. It is necessary to impose upon such property any of the controls, limitations, restrictions, and requirements of the Lake Redevelopment Plan, and the Owner fails or refuses to participate in redevelopment by executing an Owner Participation Agreement in accordance with the provisions of the Lake Redevelopment Plan.

**9. [900] PREFERENCE TO BUSINESS OCCUPANTS WITHIN THE PROJECT AREA**

Business Occupants who desire to remain within a Project Area shall be extended a reasonable preference to remain or reenter in business within the Project Area if they otherwise meet the requirements prescribed in these rules and the Lake Redevelopment Plan, provided said Business Occupants are able to demonstrate the financial ability to remain or reenter in business within the Project Area.

**10. [1000] AMENDMENT OF RULES**

These rules may be modified or amended from time to time by the Douglas County Redevelopment Agency at any regular or duly called special meeting, provided, however, that no such amendment shall retroactively impair the rights of Owners who have executed Owner Participation Agreements with the Agency in reliance upon these rules as presently constituted.



**DOUGLAS COUNTY REDEVELOPMENT AGENCY**  
**METHOD OR PLAN FOR THE RELOCATION OF**  
**TEMPORARILY DISPLACED PERSONS, FAMILIES AND**  
**BUSINESSES**

January 21, 2016



## Relocation of Persons (Including Individuals and Families), Business Concerns and Others Displaced by a Project

### Assistance in Finding Other Locations

The Douglas County Redevelopment Agency shall assist all persons, business concerns, and others displaced by Agency action in the Lake Redevelopment Area in finding other locations and facilities. In order to carry out the Lake Redevelopment Plan with a minimum of hardship to persons, business concerns, and others, if any, displaced from their respective places of residence or businesses, the Agency shall assist such persons, business concerns and others in finding new locations that are decent, safe, sanitary, within their respective financial means, in reasonably convenient locations, and otherwise suitable to their respective needs.

### Relocation Payments

The Douglas County Redevelopment Agency shall make relocation payments for moving expenses and direct losses of personal property to persons, business concerns, and others displaced by Agency action in the Lake Redevelopment Area, and shall make additional relocation payments as may be required by law. Such relocation payments shall be made pursuant to Chapter 342 and 118 (b) of Nevada Revised Statutes. The Agency, at its option, may make such other payments as may be appropriate and for which funds are available.

### Temporary or Permanent Displacement

In accordance with NRS 279.586, adequate permanent housing is, or will be, made available in the community to displaced occupants of the Lake Redevelopment Area at rents comparable to those in the community at the time of displacement, if the redevelopment plan will result in the temporary or permanent displacement of any occupants of housing in the redevelopment area.

**DOUGLAS COUNTY REDEVELOPMENT AGENCY**  
**AGENCY ANALYSIS OF THE PRELIMINARY PLAN**

January 21, 2016





10. Upgrading and expanding roads and utilities to accommodate new development.
11. Efforts to redevelop parcels which are suffering from impaired investment and economic maladjustment; and
12. Protecting and promoting sound development and redevelopment of blighted areas and the general welfare of citizens of the Douglas County by remedying injurious conditions through the employment of appropriate means.

Accordingly the Douglas County Redevelopment Agency affirms that this Analysis meets the requirements of NRS 279.528. The Agency also affirms that the Preliminary Plan sufficiently meets the requirements outlined in NRS 279.526.

**DOUGLAS COUNTY, NEVADA**

**REDEVELOPMENT PLAN**

**REDEVELOPMENT AREA NO. 2**

NOVEMBER 19, 2015

Prepared by the  
DOUGLAS COUNTY REDEVELOPMENT AGENCY



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## INTRODUCTION

This is the Redevelopment Plan (the “Plan”) for Redevelopment Area Number 2 (the “Redevelopment Area”), which is located in the territorial jurisdiction of Douglas County, Nevada (the “County”) generally in the Stateline, Nevada area and depicted in the Map attached as Exhibit “A”.

This Plan has been prepared pursuant to Nevada Revised Statutes (NRS) Chapter 279 which provides for the exercise of redevelopment authority by a redevelopment agency.

Implementation of this Plan by the County and the Redevelopment Agency of the County is governed by the provisions contained in this Plan as it may be amended from time to time. The definitions of general terms which are contained in the Nevada Revised Statutes govern the construction of this Plan, unless more specific terms and definitions are otherwise provided in this Plan. All statutory references hereinafter shall be to the Nevada Revised Statutes.

Many of the requirements contained in this Plan are necessitated by, and in accord with, statutory provisions in effect at the time of adoption of this Plan. Such statutory provisions may be changed from time to time. In the event that any such changes affect this Plan’s requirements, and would be applicable to the Agency, the Redevelopment Area, or this Plan, whether or not this Plan is formally amended to reflect such changes, then the requirements of this Plan that are so affected shall be superseded by such statutory changes, to the extent necessary to be in conformity with such changes.

The Redevelopment Area includes all properties indicated on the Redevelopment Area Map attached as Exhibit A.

The proposed redevelopment of the Redevelopment Area as described in this Plan conforms to and is governed by the Douglas County Master Plan and documents referenced or incorporated by the Master Plan as applicable, including the Tahoe Regional Planning Agency (“TRPA”) Regional Plan updated in December 2012, the South Shore Area Plan (“SSAP”) adopted by TRPA on September 25, 2013, and the Draft Tahoe Douglas Area Plan (“TDAP”).

This Redevelopment Plan is based upon the Preliminary Plan formulated and adopted by the Douglas County Planning Commission (the “County Planning Commission”) on November 10, 2015.

This Plan provides the Agency with powers, duties and obligations to implement and further the program generally formulated in this Plan for the redevelopment, rehabilitation, and revitalization of the Redevelopment Area. This Plan does not present a specific plan or establish priorities for specific projects for the redevelopment, rehabilitation, and revitalization of any particular area within the Redevelopment Area. Instead, this Plan presents possible methods for revitalization which are designed to reduce and eliminate decline, deterioration, and obsolescence, stimulate new investment, stabilize the tax base, and maintain the viability of existing businesses within the Redevelopment Area. This Plan will also provide a basic framework within which specific (re)development plans will be presented and priorities for specific projects will be established. The Plan is intended to provide the Agency tools to fashion, develop, and proceed with such specific plans, projects and solutions for the Redevelopment Area.

**In general, the goals and objectives of the redevelopment program in the Redevelopment Area are as follows:**

1. To eliminate and prevent the spread of blight and deterioration and the conservation, rehabilitation and redevelopment of the Redevelopment Area in accord with the Master Plan and other applicable planning documents, the Redevelopment Plan and local codes and ordinances.
2. To achieve an environment reflecting a high level of concern for architectural, landscape, and urban design, land use, and environmental improvement principles appropriate for attainment of the objectives of the Redevelopment Plan.
3. To minimize unplanned growth by guiding revitalization activities and new development in such fashion as to meet the needs of the Redevelopment Area, the County and its citizens.
4. To retain existing businesses by means of redevelopment and rehabilitation activities and by encouraging cooperation and participation of owners, businesses and public agencies in the revitalization of the Redevelopment Area.
5. To encourage investment by the private sector in the development and redevelopment of the Redevelopment Area by eliminating impediments to such development and redevelopment.
6. To encourage maximum participation of residents, businesspersons, property owners, and community organizations in the redevelopment of the Redevelopment Area.
7. To replan, redesign and (re)develop areas which are stagnant, obsolete, or improperly used.
8. To insure adequate utility capacity to accommodate redevelopment, new development, and environmental goals and projects within the Redevelopment Area.

**Redevelopment of the Redevelopment Area pursuant to this Redevelopment Plan and the above goals and objectives will attain the purposes of the NRS Chapter 279 by:**

1. Elimination of areas suffering from economic dislocation, and disuse in affected areas;
2. Re-planning, redesign and/or redevelopment of areas which are stagnant or improperly utilized, in ways which could not be accomplished solely by private enterprise without public participation and assistance;
3. Protection and promotion of sound development and redevelopment of blighted areas and the general welfare of the citizens of the County by remedying such injurious conditions through the employment of appropriate means;
4. Installation of new, or replacement of existing public improvements, facilities, parks and/or other recreation facilities, and utilities in areas which are currently inadequately served with regard to such improvements, facilities and utilities; and
5. Other means as determined appropriate.



## GENERAL DEFINITIONS AND REDEVELOPMENT AREA BOUNDARY

### General Definitions

The following definitions are used in this Plan unless otherwise indicated by the text:

1. "Agency" means the Douglas County Redevelopment Agency, Nevada.
2. "County" means Douglas County, Nevada.
3. "County Commission" means the Douglas County Board of County Commissioners.
4. "Community Redevelopment Law" means the Community Redevelopment Law of the State of Nevada within NRS Chapter 279.
5. "Redevelopment Area" means the area included within the boundaries of the Redevelopment Area, as established by this Plan and as depicted and described in the map attached hereto as Exhibit A.
6. "Legislative Body" means the Douglas County Board of County Commissioners.
7. "NRS" means the Nevada Revised Statutes for the State of Nevada.
8. "State" means the State of Nevada.
9. "Plan" means the Redevelopment Plan for Redevelopment Area No. 2 in Douglas County, Nevada.

### Redevelopment Area Boundary

The boundaries of the Redevelopment Area are shown on the Redevelopment Area Map attached as Exhibit "A".

## PROPOSED REDEVELOPMENT ACTIVITIES

The Agency proposes to eliminate and prevent the spread of blight and blighting influences, and strengthen the economic base of the Redevelopment Area and the County, by some or all of the following:

1. Permitting participation in the redevelopment process by owners and occupants of properties located in the Redevelopment Area, consistent with this Plan and rules adopted by the Agency;
2. Acquisition of real property;
3. Management of property under the ownership and/or control of the Agency;
4. Relocation assistance to displaced occupants of property acquired by the Agency in the Redevelopment Area;
5. Demolition of property for uses in accordance with this Plan;
6. Redevelopment of land by private enterprise and public agencies for uses in accordance with this Plan;
7. Rehabilitation of structures and improvements by present owners, their successors, and the Agency;
8. Provision, maintenance, and/or enhancement of utilities, roads, streets, landscaping, parking facilities, stormwater and drainage facilities, and other public improvements; and
9. Consideration of the implementation of appropriate land use controls or regulations within the Redevelopment Area.

In the accomplishment of these activities, and in the implementation and furtherance of this Plan, the Agency is authorized to use all the powers provided in this Plan and all the powers to the extent now or hereafter permitted by law Nevada law.

### Owner Participation and Business Reentry Preferences

#### Owner Participation

1. Pursuant to NRS 279.566, owners of real property within the Redevelopment Area shall be extended reasonable opportunities to participate in the redevelopment of property in the Redevelopment Area if such owners agree to participate in the redevelopment in conformity with this Redevelopment Plan and the owner participation implementation rules adopted by the Agency. These owner participation opportunities will be explained in more detail in the Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences for

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Property Owners in the Redevelopment Area contained in the Report later presented to the County Commission.

2. In appropriate circumstances where such action would foster the goals and objectives contemplated by the Redevelopment Plan, an owner may participate in substantially the same location either by retaining all or portions of his property; retaining all or portions of his property and purchasing adjacent property if needed and available for (re)development; rehabilitating or demolishing all or part of his existing buildings; initiating new development; or selling property to the Agency.

**Participation opportunities shall necessarily be subject to and limited by factors including but not limited to the following:**

1. The elimination and/or modification, if any, of existing land uses;
2. The construction, vacation, realignment and/or alteration, if any, of existing streets;
3. The ability of participants to finance and complete proposed developments and rehabilitations;
4. The capability and/or experience of the owner participant, as determined by the Agency, to implement the proposed development;
5. The proposed land uses for redevelopment of the Redevelopment Area;
6. Intensification of certain land uses; and
7. The construction or expansion of public facilities.

### Participation by Tenants

1. Non-property owners who are tenants engaged in business or residing in the Redevelopment Area may be extended reasonable preferences if they wish to purchase property at their present location for the purpose of rehabilitating and/or expanding existing improvements or to build new improvements in conformance with the designated land uses and other requirements of this Plan. However, the preference provided to such business or residential tenants will be subordinate to, or follow, the preference provided to the existing property owners.
2. Businesses and residential tenants may also submit proposals for rehabilitation and/or new development at locations other than their existing location, as long as said property conforms to the Plan. However, no preference shall be provided to business and/or tenants for this type of proposal.

### Participation Agreements

1. The Agency may require that, as a condition of participating in redevelopment, each participant shall enter into a binding written participation agreement with the Agency by which the



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participant agrees to rehabilitate, develop or use the property in conformance with this Plan and to be subject to the provisions hereof and such other provisions and conditions to which the parties may agree. In such agreements, participants who retain real property may be required to make the provisions of this Plan and such participation agreement applicable to their properties.

2. If an owner fails to participate in the redevelopment under a participation agreement or breaches the agreement, the Agency shall have the right to acquire the subject property for redevelopment by any legal means permitted under the law and the provisions of this Plan. If so provided in the participation agreement, the price of such acquisition will be the property's fair market value at the time of execution of the participation agreement. Whether or not a participant enters into a participation agreement with the Agency, the provisions of this Plan are applicable to all public and private property in the Redevelopment Area.

### Implementing Rules

The Owner Participation provisions shall be implemented according to the rules adopted by the Agency simultaneous with the final adoption of this Plan by the County Commission, and as the same may be from time to time amended by the Agency. Where there is a conflict between the participation provisions in this Plan and such rules adopted by the Agency, the Plan shall prevail.

### Property Acquisition

#### 1. Acquisition of Real Property

- A. In accordance with NRS 279.576, the Agency may acquire, but is not required to acquire, any real property located in the Redevelopment Area by gift, purchase, lease, or condemnation.
- B. The Agency may exercise the power of eminent domain to acquire property for a redevelopment project if: (a) The property sought to be acquired is necessary to carry out this Plan; and (b) The Agency has made reasonable effort to negotiate in good faith the purchase of the property. The method the Agency would use to acquire property through eminent domain is subject to statutory requirements, including NRS 279.421 and 279.4712, and as set forth in the Agency's Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences To Property Owners in the Redevelopment Area.
- C. The Agency is authorized to acquire structures without acquiring the land upon which those structures are located. The Agency is also authorized to acquire any other interest in real property less than a fee interest.

#### 2. Acquisition of Personal Property

Generally, personal property may not be acquired by the Agency. However, where necessary in the execution of this Plan, the Agency is authorized to acquire personal property in the Redevelopment Area by any lawful means. The Agency may also acquire by gift, purchase, lease

or condemnation any personal property in connection with real property acquired by the Agency.

### Property Management

In accordance with NRS 279.470, the Agency is authorized to manage and control all real property acquired by it. Such property may be rented or leased by the Agency, and such rental or lease shall be in conformity with this Plan.

### Relocation of Persons (Including Individuals and Families), Business Concerns and Others Displaced by the Project

#### 1. Assistance in Finding Other Locations

As may be required by applicable law, the Agency may assist all persons, business concerns, and others displaced by Agency action in the Redevelopment Area in finding other locations and facilities. In order to carry out the Redevelopment Plan with a minimum of hardship to persons, business concerns, and others, if any, displaced from their respective places of residence or businesses, the Agency may assist such persons, business concerns and others in finding new locations that are decent, safe, sanitary, within their respective financial means, in reasonably convenient locations, and otherwise suitable to their respective needs.

#### 2. Relocation Payments

As may be required by applicable law, the Agency may make relocation payments for moving expenses and direct losses of personal property to persons, business concerns, and others displaced by Agency action in the Redevelopment Area and shall make additional relocation payments as may be required by law. Such relocation payments shall be made pursuant to Chapter 342 of Nevada Revised Statutes. The Agency, at its option, may make such other payments as may be appropriate and for which funds are available.

### Demolition, Clearance, Public Improvements, Building and Site Preparation

#### 1. Demolition and Clearance

The Agency is authorized to demolish and clear buildings, structures, and other improvements from any real property acquired in the Redevelopment Area as necessary to carry out the purpose of this Plan.

### Public Improvements

The Agency is authorized to install and construct, or to cause to be installed and constructed, the public improvements, facilities and utilities necessary to carry out this Plan. Such public improvements, facilities and utilities include, but are not limited to the following:

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1. Sewers;
2. Storm drains and related drainage facilities;
3. Electrical, natural gas, telephone and water distribution systems;
4. Parks, plazas, entertainment venues, amphitheaters;
5. Playgrounds;
6. Parking and transportation facilities;
7. Landscaped areas;
8. Street and circulation improvements;
9. Flood control improvements and facilities;
10. Entryway features;
11. Recreational improvements; and
12. Other public facilities serving the needs of Redevelopment Area occupants.

### Preparation of Building Sites

The Agency is authorized to prepare, or cause to be prepared, as building sites, any real property in the Redevelopment Area owned or acquired by the Agency.

### Property Disposition and Development

1. General
  - A. For the purposes of this Plan, the Agency is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest in real property. The Agency is authorized to dispose of real property by negotiated lease, sale, or transfer without public bidding but only after a public hearing, notice of which shall be given by publication for not less than once a week for two weeks in a newspaper of general circulation published in Douglas County.
  - B. A lease or sale by the Agency of real property acquired by it in the Redevelopment Area shall be conditioned on the redevelopment and use of the property in conformity with this Plan.



- C. All real property acquired by the Agency in the Redevelopment Area may be sold or leased to public or private persons or entities for development for the uses permitted in this Plan, and any such sale or lease may be for an amount at less than fair market value if necessary to effectuate the purposes of this Plan. Real property may also be conveyed by the Agency to the County, and, where beneficial to the Redevelopment Area, to any other public body without charge or for an amount at less than fair market value.
  - D. All purchasers or lessees of property from the Agency may be made obligated to use the property for the purposes designated in this Plan, to begin and complete development of the property within a period of time which the Agency fixes as reasonable, and to comply with other conditions which the Agency deems necessary to carry out the purposes of this Plan.
2. Disposition and Development Documents
- A. The Agency shall reserve powers and controls in disposition and development documents as may be necessary to prevent transfer, retention, or use of property for speculative purposes and to ensure that development is expeditiously carried out pursuant to this Plan.
  - B. To provide adequate safeguards to ensure that the provisions of this Plan will be carried out and to prevent the recurrence of blight, all real property sold, leased, or conveyed by the Agency, as well as all property subject to participation agreements, shall be made subject to the provisions of this Plan and any adopted Design Guidelines and other conditions imposed by the Agency by leases, deeds, contracts, agreements, declarations of restrictions, provisions of the zoning ordinance, conditional use permits, or other means. Where appropriate as determined by the Agency, such documents or portions thereof shall be recorded in the Office of the Recorder of Douglas County.
  - C. The leases, deeds, contracts, agreements, and declarations of restrictions may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, or any other provision necessary to carry out this Plan.
3. Development Plans

All development plans (whether public or private) shall be processed in the manner provided by applicable County codes, as they are, or as they may be, amended from time to time. All development in the Redevelopment Area must conform to County (as appropriate) and Agency design review procedures, including any Design Guidelines adopted by the Agency.

4. Personal Property Disposition

For the purposes of this Plan, the Agency is authorized to lease, sell, exchange, transfer, assign, pledge, encumber, or otherwise dispose of personal property which is acquired by the Agency.

### Cooperation with Public Bodies

**For the purpose of aiding and cooperating in the planning, undertaking, construction or operation of redevelopment projects located within the area in which it is authorized to act, any public body, upon the terms and with or without consideration as it determines, may:**

1. Dedicate, sell, convey or lease any of its property to the Agency.
2. Cause parks, playgrounds, recreational, community, educational, water, sewer or drainage facilities, or any other works which it is otherwise empowered to undertake, to be furnished adjacent to or in connection with a redevelopment plan.
3. Furnish, dedicate, close, pave, install, grade, regrade, plan or replan streets, roads, roadways, alleys, sidewalks or other places which it is otherwise empowered to undertake.
4. Plan or replan, zone or rezone any part of such area and make any legal exceptions from building regulations and ordinance.
5. Enter into agreements with the federal government respecting action to be taken by such public body pursuant to any of the powers granted by NRS Chapter 279, inclusive. Such agreements may extend over any period, notwithstanding any law to the contrary.
6. Purchase or legally invest in any of the bonds of the Agency and exercise all of the rights of any handler of such bonds.

The Agency, by law, is not authorized to acquire real property owned by public bodies without the consent of such public bodies. The Agency, however, will seek the cooperation of all public bodies which own or intend to acquire property in the Redevelopment Area. Any public body which owns or leases property in the Redevelopment Area will be afforded all the privileges of owner participation if such public body is willing to enter into a participation agreement with the Agency. All plans for development of property in the Redevelopment Area by a public body shall be subject to Agency approval.

### Development Financing by the Agency or Other Public Bodies or Entities

The Agency may, with the consent of the Legislative Body, pay all or part of the value of the land for, and the cost of the construction of, any building, facility, structure or other improvement and the installation of any improvement which is publicly or privately owned and located within the redevelopment area. Before the Legislative Body may give its consent, it shall determine that:

1. The buildings, facilities, structures or other improvements are of benefit to the Redevelopment Area or the immediate neighborhood in which the Redevelopment Area is located; and
2. No other reasonable means of financing those buildings, facilities, structures or other improvements are available.

3. Those determinations by the Agency and the Legislative Body are final and conclusive.
4. If the value of the land or the cost of the construction of that building, facility, structure or other improvement, or the installation of any improvement has been, or will be, paid or provided for initially by the community or other governmental entity, the Agency may enter into a contract with that community or governmental entity under which it agrees to reimburse the community or governmental entity for all or part of the value of that land or the cost of the building, facility, structure or other improvement, or both, by periodic payments over a period of years. The obligation of the Agency under that contract constitutes an indebtedness of the Agency which may be payable out of taxes levied and allocated to the Agency under paragraph (b) of subsection 1 of Nevada Revised Statutes 279.676, or out of any other available money.

### Employment Plan

In accordance with NRS 279.482, the Agency shall, as it determines to be appropriate, require that a proposal for a redevelopment project include an employment plan which includes:

1. A description of the existing opportunities for employment within the Redevelopment Area;
2. A projection of the effect that the redevelopment project will have on opportunities for employment within the Redevelopment Area; and
3. A description of the manner in which an employer relocating his business into the Redevelopment Area plans to employ persons living within the area of operation who are:
  - A. Economically disadvantaged;
  - B. Physically handicapped;
  - C. Members of racial minorities;
  - D. Veterans; or
  - E. Women.



## LAND USES AND DEVELOPMENT REQUIREMENTS

### Redevelopment Area Map and Major Redevelopment Area Land Uses

The Redevelopment Area Map attached hereto as Exhibit "A" illustrates the location of the Redevelopment Area parcel boundaries and identifies the major streets within the Redevelopment Area. The Master Plan and related planning documents designate the major land uses authorized within the Redevelopment Area. The County will from time to time update and revise its Master Plan. It is the intention of this Redevelopment Plan that the County's Master Plan and all associated and incorporated planning documents, as it currently exists, or as they may from time to time be amended, and as implemented and applied by County ordinances, resolutions and other laws be used as a guide to long range planning and redevelopment of the Redevelopment Area. The major land uses authorized within the Redevelopment Area by the Master Plan are described below:

### Major Land Uses

Major land uses permitted within the Redevelopment Area include:

- Residential
- Commercial
- Public/Semipublic
- Park/Open Space

The preceding uses may be used for any of the various kinds of uses specified for or permitted within such areas by the Master Plan, as it currently exists or as it may be amended from time to time.

### Other Land Uses

1. Public Rights-of-Way and Layout of Streets
  - A. Major public streets and their layout within the Redevelopment Area are detailed on the Redevelopment Area Map as Exhibit "A" and are listed as follows:
    - U.S. Highway 50 (terminating at the California State line)
    - Kahle Drive
    - Lake Parkway
    - Stateline Avenue
  - B. Additional public streets, alleys and easements may be created in the Redevelopment Area as needed for proper use and/or development. Existing streets and alleys may be abandoned, closed or modified as necessary for proper use and/or development.
  - C. Any changes in the existing street layout shall be in accord with the County's Master Plan, and all other applicable planning documents.

## 2. Conforming Properties

Without the consent of the owner, the Agency shall not acquire any real property on which an existing building is to be continued on its present site and in its present form and use unless an existing building requires structural alteration, improvement, modernization or rehabilitation, or the site or lot on which the building is situated requires modification in size, shape or use, or it is necessary to impose upon such property any of the standards, restrictions and controls of this Plan. The Agency may acquire such property if the owner refuses to enter into a participation agreement or Disposition and Development Agreement or fails to redevelop the property or otherwise carry out the provisions of such agreement.

## 3. Interim Uses

Pending the ultimate development of land by developers and participants, the Agency is authorized to use or permit the use of any land in the Redevelopment Area for interim uses not in conformity with the uses permitted in this Plan. Such interim use shall conform to all applicable County codes and planning documents.

## 4. Nonconforming Uses

- A. The Agency is authorized to permit an existing use to remain in an existing building in good condition, which use does not conform to the provisions of this Plan, provided that such use is generally compatible with existing and proposed developments and uses in the Redevelopment Area, and abatement of such uses is not required by applicable County codes.
- B. The Agency may authorize additions, alterations, repairs or other improvements in the Redevelopment Area for uses which do not conform to the provisions of this Plan where such improvements are within a portion of the Redevelopment area where, in the determination of the Agency, such improvements would be compatible with surrounding Redevelopment Area uses and development and are permitted under applicable County codes.

## 5. General Controls and Limitation

All real property in the Redevelopment Area is hereby made subject to the controls and requirements of this Plan. No real property shall be developed, rehabilitated, or otherwise changed after the latest effective date of the ordinance adopting this Plan, except in conformance with the provisions of this Plan.

### A. Construction

All construction within the Redevelopment Area shall be reviewed by the Redevelopment Agency and shall comply with all applicable State and local laws in effect at the time.

B. Limitation on the Number of Buildings

The number of buildings in the Redevelopment Area shall not exceed the number of buildings permitted under the Master Plan and other applicable planning documents

C. Number of Dwelling Units

The number of dwelling units in the Redevelopment Area shall not exceed the maximum number allowed under the densities permitted under the County's Master Plan and other applicable planning documents, as implemented and applied by local codes and ordinances.

D. Limitations on Type, Size and Height of Buildings

The type, size, and height of buildings shall be as limited by the County Master Plan, other applicable planning documents, and applicable federal, state and local statutes and ordinances.

E. Open Spaces, Landscaping, Light, Air and Privacy

- i. The approximate amount of open space to be provided in the Redevelopment Area is the total of all area which will be in the public rights-of-way, the public grounds, spaces around buildings, and all other outdoor areas not permitted to be covered by buildings. Landscaping shall be developed in the Redevelopment Area to ensure optimum use of living plant material.
- ii. In all areas, sufficient space shall be maintained between buildings to provide adequate light, air and privacy.

F. Signs

All signs shall conform to County codes/requirements as appropriate.

G. Utilities

The Agency shall require that all utility placements be governed according to the prevailing Douglas County codes.

H. Incompatible Uses

No use or structure which, in the Agency's opinion would, by reason of appearance, traffic, smoke, glare, noise, odor, or similar factors, be incompatible with the surrounding areas or structures shall be permitted in any part of the Redevelopment Area.

I. Use of Land for Public Purposes

The intent of this Redevelopment Plan is to maintain the amount of property currently being used for public purposes. However, in any area the Agency is authorized to permit the maintenance, establishment or enlargement of public, semi-public, institutional or non-



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profit uses, including park, entertainment, and recreational facilities, libraries, educational, fraternal, employee, philanthropic, religious and charitable institutions, utilities, and facilities of other similar associations or organizations. All such uses shall conform so far as possible to the provisions of this Plan applicable to the uses in the specific area involved and as permitted under the Master Pan. The Agency may impose such other reasonable restrictions as are necessary to protect the development and uses in the Redevelopment Area.

### J. Other Covenants, Conditions and Restrictions

The Agency is authorized to permit minor variations from the limits, restrictions and controls established by this Plan. In order to permit any such variation, the Agency must determine that:

- A. The application of certain provisions of the Plan would result in practical difficulties or unnecessary hardships inconsistent with the general purpose and intent of the Plan;
- B. There are exceptional circumstances or conditions applicable to the property or to the intended development of the property which do not apply generally to other properties having the same standards, restrictions, and control;
- C. Permitting a variation will not be materially detrimental to the public welfare or injurious to property or improvements in the area;
- D. Permitting a variation will not be contrary to the objectives of the Plan; and
- E. The Agency will ensure that any deviation will not impair the purpose of this Plan, the Zoning district or any applicable zoning regulations.

### Design Guidelines

Within the limits, restrictions, and controls established in this Plan, applicable planning documents, and County Code, the Agency is authorized to establish heights of buildings, land coverage, set back requirements, design and sign criteria, traffic circulation, traffic access, parking, and other development and design controls necessary for proper development and use of both private and public areas within the Redevelopment Area. These may be established by the approval of specific developments, by the adoption of general restrictions and controls, by resolution of the Agency, or by the adoption of one or more Design Guidelines pursuant to this Section.

### Building Permits

1. No permit shall be issued for the construction of any new building or any addition, construction, moving, conversion or alteration to an existing building in the Redevelopment Area from the date of effectiveness of the ordinance approving this Plan until the application for such permit has been reviewed by the Agency. Any permit that is issued hereunder must be in conformance with the provisions of this Plan, any Design Guidelines adopted by the Agency, any restrictions

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for controls established by resolution of the Agency, and any applicable participation or other agreement.

2. The County may request that the Agency comment on an application for a building permit in order to determine whether the application conforms to the requirements of this Plan. Agency review will be advisory only and will not control the County's approval or disapproval of an applicant.

## METHOD OF FINANCING THE AREA

### General Description of the Proposed Financing Method

1. The Agency is authorized to finance activities in the Redevelopment Area with tax increment funds; interest income; Agency bonds, donations; loans from private financial institutions; the lease or sale of Agency owned property; owner participant or developer loans; participation in development; or with financial assistance from Douglas County, the State of Nevada, the federal government, or any other available source, public or private.
2. In accordance with NRS Chapter 279, the Agency is also authorized to obtain advances, borrow funds, issue bonds, and create indebtedness in carrying out this Plan. The principal and interest on such obligations may be paid from tax increments or any other funds available to the Agency. Advances and loans for surveys and planning, and for the operating capital for administration of the Redevelopment Area, may be provided by the County or any other available source, public or private, until adequate tax increment or other funds are available or sufficiently assured to repay the advances and loans and to permit borrowing adequate working capital from other sources. The County, as it is able, may also supply additional assistance through the issuance of bonds, loans and grants and in-kind assistance.
3. Tax increment financing, as authorized by this Plan and NRS Chapter 279, is intended as a source of financing (in combination with other sources of financing that may be available) for specific activities in the Redevelopment Area.
4. The Agency is authorized to finance this Plan by all means permitted by law. The analysis and description of the proposed method of financing the Redevelopment Plan is contained in the Agency's Report to the County Commission. The analysis provides sufficient detail to determine the economic feasibility of this Plan.

### Tax Increment Funds

All taxes levied upon taxable property within the Redevelopment Area each year, by or for the benefit of the State of Nevada, Douglas County, or any district or any other public corporation (hereinafter sometimes called "taxing agencies") after the effective date of the ordinance approving this Plan, shall be divided in accordance with the provisions of NRS 279.676 as may be amended from time to time.

### Agency Bonds

1. The Agency is authorized to issue bonds from time to time, if it deems it appropriate to do so, in order to finance all or any part of activities in the Redevelopment Area in accordance with the Plan
2. Neither the members of the Agency, Agency staff, nor any persons executing the bonds are liable personally on the bonds by reason of their issuance.



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3. The bonds and other obligations of the Agency are not a debt of the County, the State or any of its political subdivisions and neither the County, the state nor any of its political subdivisions is liable on them, nor in any event shall the bonds or obligations shall so state on their face. The bonds do not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

### Time Limit on Issuing Securities or Establishment of Indebtedness

1. Securities must not be issued and no indebtedness may be incurred in any other manner, by or on behalf of the Agency to finance, in whole or in part, the Redevelopment Plan beyond 20 years after the date on which the Redevelopment Plan is adopted, except that the Agency may incur indebtedness at any time before the termination of the Redevelopment Plan if the indebtedness is fully repaid no later than the termination of the Redevelopment Plan. The maturity date of any securities which are refunded must not extend beyond the date of termination of the Redevelopment Plan.
2. Any securities issued by or on behalf of the Agency to finance, in whole or in part, redevelopment pursuant to NRS 279.620 to 279.626, inclusive, and 279.634 to 279.672, inclusive, must mature and be fully paid, including any interest thereon, before the termination of the Redevelopment Plan.

### Other Loans and Grants

Any other loans, grants, guarantees, or financial assistance from the United States, the State of Nevada, or any other public or private source will be utilized if available as appropriate in carrying out activities in the Redevelopment Area. In addition, the Agency may make loans as permitted by law to public or private entities for any of its redevelopment purposes.

## ACTIONS BY THE COUNTY

The County may aid and cooperate with the Agency in carrying out this Plan and may take all actions necessary to ensure the continued fulfillment of the purposes of this Plan and to prevent the recurrence or spread in the area of conditions causing blight. Actions by the County may include, but are not limited to, the following:

1. Institution and completion of proceedings for opening, closing, vacating, widening, or changing the grades of streets, alleys, and other public rights-of-way, in the Redevelopment Area. Such action by the County shall include the requirement of abandonment, removal, and relocation by the public utility companies of their operations in public rights-of-way as appropriate to carry out this Plan, provided that nothing in this Plan shall be construed to require the cost of such abandonment, removal, and relocation be borne by others than those legally required to bear such costs;
2. Institution and completion of proceedings necessary for changes and improvements in private and publicly-owned utilities within or affecting the Redevelopment Area;
3. Revision or adoption of the County zoning ordinance(s), specific plan(s), or the Master Plan as appropriate within the Redevelopment Area to permit the land uses and development authorized by or necessary or desired to carry out this Plan;
4. Imposition wherever necessary (by covenants or restrictions, conditional use permits or other means) of appropriate controls within the limits of this Plan upon parcels in the Redevelopment Area to ensure their proper development and use;
5. Execution of statutory development agreements where necessary and appropriate to facilitate developments approved by the Agency;
6. Provisions for administrative enforcement of this Plan by the County, as appropriate, after development;
7. Performance of the above actions, and of all other functions and services relating to public health, safety, and physical development normally rendered in accordance with a schedule which will permit the redevelopment of the Redevelopment Area to be commenced and carried to completion without unnecessary delays;
8. Provisions of services and facilities by the various officials, offices and departments of the County for the Agency's purposes under this Plan;
9. Provision of financial assistance in accordance with this Plan or as authorized by law; and/or
10. The undertaking and completing of any other proceedings necessary to carry out activities in the Redevelopment Area.

The foregoing actions to be taken by the County may involve financial outlays by the County, but do not constitute a commitment to make such outlays.

## ENFORCEMENT

1. The administration and enforcement of this Plan, including the preparation and execution of any documents implementing this Plan, shall be performed by the Agency and/or the County.
2. Without limitation on the powers conferred on the County or Agency by statute or law, the provisions of this Plan or other documents entered into pursuant to this Plan may also be enforced by litigation instituted by either the Agency or the County. Such remedies may include, but are not limited to, specific performance, damages, re-entry, injunctions, or any other remedies appropriate to the purposes of this Plan. In addition, any recorded provisions which are expressly for the benefit of owners of property in the Redevelopment Area may be enforced by such owners.

## DURATION OF THIS REDEVELOPMENT PLAN

The provisions of this Plan and any amendments hereto shall be effective, and the provisions of other documents formulated pursuant to this Plan may be made effective, for thirty (30) years after the date on which this Plan is adopted. This Plan and any amendments hereto will terminate thirty (30) years after the date on which this Plan is adopted.

## PROCEDURE FOR AMENDMENT

This plan may be amended by means of the procedure established in NRS Chapter 279, or by any other procedure established by law.

## IMPLEMENTATION AGREEMENTS

The Agency and County may enter into any agreement(s) between them which they deem necessary to implement the provisions of this Plan. Such agreements shall relate only to the implementation of this Plan and shall not revise, change or modify any of the provisions, requirements or limitations of this Plan.

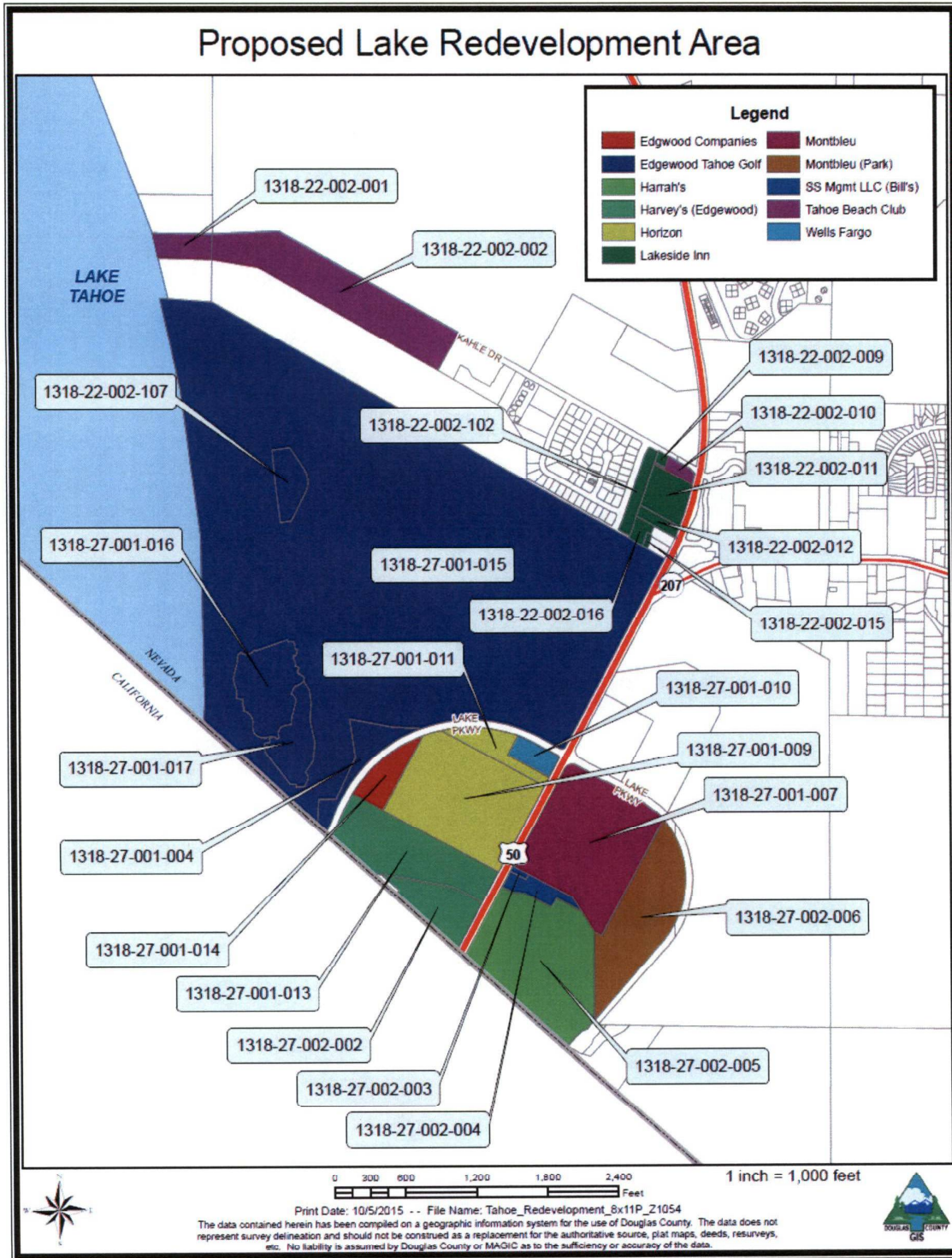
## SEVERABILITY

If any provision, section, subsection, subdivision, sentence, clause or phrase of this Plan is for any reason held to be invalid, unenforceable, or unconstitutional, such decision shall not affect the validity and effectiveness of the remaining portion or portions of the Plan. In the event that any portion of the Redevelopment Area shall be determined to have been invalidly or incorrectly included in the Redevelopment Area that is the subject of this Plan, such portion of the Redevelopment Area shall be



deemed severable from the remainder of the Redevelopment Area and the remainder of the Redevelopment Area shall remain fully subject to the provisions of this Plan.

EXHIBIT A - Redevelopment Area Map



Attachment: Exh B -Report -- Redevelopment Area No. 2 (1358 : Submission of Redevelopment Plan and Report to BOCC)

**DOUGLAS COUNTY REDEVELOPMENT AGENCY**  
**EMPLOYMENT PLAN**  
**FOR THE**  
**LAKE REDEVELOPMENT AREA**

January 21, 2016





### Employment Plan Regulations

Consistent with Nevada Revised Statute 279.482, the Douglas County Redevelopment Agency shall, as it determines to be appropriate, require that any proposal for a redevelopment project within the Lake Redevelopment Area include an Employment Plan which includes:

1. A description of the existing opportunities for employment within the Lake Redevelopment Area;
2. A projection of the effect that the redevelopment project will have on opportunities for employment within the Redevelopment Area; and
3. A description of the manner in which an employer relocating his business into the Redevelopment Area plans to employ persons living within the area of operation who are:
  - A. Economically disadvantaged;
  - B. Physically handicapped;
  - C. Members of racial minorities;
  - D. Veterans; or
  - E. Women.

During the period of development in the Redevelopment Area, the Agency shall ensure that the provisions of this Employment Plan and other documents formulated pursuant to this Plan are being observed, and that development in the Redevelopment Area is proceeding in accordance with development documents and time schedules.

**DOUGLAS COUNTY PLANNING COMMISSION**  
**PRELIMINARY PLAN**  
**For the**  
**DOUGLAS COUNTY REDEVELOPMENT AGENCY**  
**November 10, 2015**

Prepared by the  
DOUGLAS COUNTY REDEVELOPMENT AGENCY  
&  
DOUGLAS COUNTY PLANNING COMMISSION

In cooperation with the  
DOUGLAS COUNTY COMMISSION



Attachment: Exh B -Report -- Redevelopment Area No. 2 (1358 : Submission of Redevelopment Plan and Report to BOCC)

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## Introduction

This Preliminary Plan has been prepared to fulfill the requirements of Nevada Redevelopment Law as set forth in Nevada Revised Statutes (NRS) Sections 279.524 and 279.526 concerning the selection and amendment of a redevelopment area and the formulation of a Preliminary Plan. This Preliminary Plan consists of text and a map.

## Description of the Boundaries of the Redevelopment Area

The boundaries of Redevelopment Area Number 2 (referred to herein as the "Lake Redevelopment Area") are as shown on the Redevelopment Area Map which is attached as Exhibit A to this Preliminary Plan.

## General Statement of Proposed Land Uses

On March 1, 2012 Douglas County adopted the Douglas County 2011 Master Plan Update. This Master Plan included a Land Use Element, Washoe Tribal Lands Element, Housing Element, Transportation Element, Agriculture Element, Environmental Resources and Conservation Element, Economic Development Element, Historic Preservation Element, Parks and Recreation Element, Public Services and Facilities Element, and Implementation. The Master Plan further refers to and incorporates the Tahoe Regional Planning Agency ("TRPA") Regional Plan updated in December 2012 as applicable to areas within the Lake Redevelopment Area. On September 25, 2013 the Tahoe Regional Planning Agency ("TRPA") adopted the South Shore Area Plan ("SSAP"), governing land use within the Lake Redevelopment Area. In October 2014, Douglas County proposed a Draft Tahoe Douglas Area Plan (TDAP) applicable to the Lake Redevelopment Area. This Preliminary Plan is in thorough conformance with the Master Plan, the TRPA Regional Plan, the SSAP, and the TDAP.

More specifically, the following general statements regarding land uses, layout of principal streets, population densities, and building intensities and standards are proposed as the basis for the Lake Redevelopment Plan.

It is proposed that, in general, the land uses for the properties in the Lake Redevelopment Area (see exhibit A - map) shall be as described and defined in detail consistent with 2011 Master Plan Update, the TRPA Regional Plan, the SSAP, and the TDAP. It is anticipated that the Redevelopment Plan will abide by this detailed map and applicable land use provisions as they currently exist and as they may be amended from time to time.

## General Statement of Proposed Layout of Principal Streets

It is proposed that, in general, the layout of the principal streets for the Lake Redevelopment Area be as shown on the Redevelopment Area Map (see exhibit A - map). The major streets within or serving as the boundaries to the Redevelopment Area are:

- US Highway 50 (terminating at the California state line)

## Douglas County Nevada | Preliminary Plan

- Kahle Drive
- Lake Parkway
- Stateline Avenue

In accord with the Douglas County 2011 Master Plan Update, the TRPA Regional Plan, the SSAP, the TDAP, and local codes and ordinances, existing streets within the Lake Redevelopment Area may be closed, vacated, widened, realigned or otherwise modified, and additional streets may be created as necessary for proper pedestrian and vehicular circulation, or other transportation needs as may be determined from time to time. However, no major changes or alterations to the existing street network are anticipated due to the proposed Lake Redevelopment Plan.

### General Statement of Proposed Population Densities

This Redevelopment Area will include commercial and residential and properties. It is proposed that, in general, the population density for any residential uses permitted within the Redevelopment Area, shall be as established and defined in the Douglas County 2011 Master Plan Update, the TRPA Regional Plan, the SSAP, and the TDAP as they may be amended, or as otherwise provided in local codes and ordinances.

### General Statement of Proposed Building Intensities and Standards

It is proposed that, in general, building intensities and standards within the Lake Redevelopment Area be controlled by procedures and criteria established in the Douglas County 2011 Master Plan Update, the TRPA Regional Plan, the SSAP, the TDAP, and local codes and ordinances. Such criteria may include limits on:

- A. The percentage of ground area covered by buildings (land coverage).
- B. The ratio of total floor area for all stories of the buildings to areas of the building sites (floor area ratio).
- C. The size and location of buildable areas on building sites.
- D. The height of the buildings
- E. The number of required parking spaces.

Land coverage, sizes and locations of buildable areas should be limited, as necessary and feasible, to provide adequate open space, parking access and other amenities.

It is proposed that building standards should generally conform to the building standards requirements of applicable Douglas County codes and ordinances and State statutes.



### Attainment of the Purposes of the Nevada Community Redevelopment Law

Certain goals and objectives have been identified in connection with the Lake Redevelopment Area, the accomplishment of which will attain the purposes of the Nevada Redevelopment Law. In general, the goals and objectives of a redevelopment program for the new Lake Redevelopment Area are as follows:

- A. The elimination and prevention of the spread of blight and deterioration, and the conservation, rehabilitation and redevelopment of the Redevelopment Area in accord with the Douglas County 2011 Master Plan Update, the TRPA Regional Plan, the SSAP, the TDAP, the Lake Redevelopment Area Plan, and local codes and ordinances.
- B. Elimination of blighted areas which consist of social or economic liabilities, or both requiring redevelopment in the interest of health, safety and general welfare of the people of Douglas County.
- C. Reduction of the conditions of blight which lend themselves to further obsolescence and deterioration due to the lack of incentive of an individual landowner and the inability to improve, modernize or rehabilitate a property while the condition of neighboring properties remains unchanged.
- D. Arresting the process of deterioration of a blighted area by redeveloping the entire area or a portion of it.
- E. The achievement of an environment reflecting a high level of concern for architectural, landscape, urban design, land use, and environmental improvement principles appropriate for the attainment of the objectives of the Lake Redevelopment Area Plan.
- F. The control of unplanned growth by guiding revitalization activities and new development in such a fashion as to meet the needs of the Lake Redevelopment Area, and Douglas County and its citizens.
- G. The retention of existing business by means of redevelopment and revitalization activities and by encouraging and assisting the cooperation and participation of owners, businesses and public agencies, in the revitalization of the Lake Redevelopment Area.
- H. The encouragement of investment by the private sector in the development and redevelopment of the Lake Redevelopment Area by eliminating impediments to such development and redevelopment.
- I. Replanning, redesigning and developing areas which are stagnant or improperly used.
- J. Insuring adequate utility capacity for new development.
- K. Redevelopment of dilapidated or deteriorating residential properties.



## Douglas County Nevada | Preliminary Plan

**Redevelopment of the Lake Redevelopment Area pursuant to this Preliminary Plan and the above goals and objectives will attain the redevelopment purposes as specified in Nevada Revised Statutes by:**

- A. The elimination of blighting influences and the correction of environmental deficiencies including, among others, buildings and/or residential structures in which it is unsafe for persons to live or work, incompatible and uneconomic land uses, and small and irregular lots.
- B. The assembly of land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation.
- C. The replanning, redesign, and redevelopment of areas which are stagnant or improperly used.
- D. The provision of opportunities for participation by owners and tenants in the revitalization of their properties and businesses.
- E. The strengthening of retail, tourist, gaming, residential and other commercial functions.
- F. The strengthening of the economic base by stimulating new investment.
- G. The expansion of employment opportunities.
- H. The provision of an environment for social and economic growth.
- I. The expansion and improvement of housing for low and moderate income persons.
- J. The installation of new, or replacement of existing, public improvements, facilities, and utilities in areas which are currently inadequately served in regard to such improvements, facilities, and utilities.

## Conformance to Douglas County's Master Plan

Redevelopment of the Lake Redevelopment Area will follow the guidelines outlined in the 2011 Master Plan Update. For example, the Preliminary Plan will adhere to the Land Use Classifications described on pages 1-176 of Chapter 2, and more specifically pages 90-100 of Chapter 2 of the 2011 Master Plan Update. See Exhibit B (Pages 1-176 of Chapter 2 of the 2011 Master Plan Update)

Further, the Preliminary Plan focuses on the Lake Redevelopment Area which is in need of revitalization and is located near Lake Tahoe. The reasons for and purposes of redevelopment in this area is captured in the 2011 Master Plan Update with statements such as: "The casino resort industry located in the Stateline area, which is the largest employer in the County and provides tax revenues to support many important County services, has been in decline due to the increase in gaming on tribal lands in California. It has also been impacted, as well as other businesses in the area, as a result of the strict growth control measures and complex land use regulations imposed by the TRPA, declining permanent population, a housing market dominated by second homes, high unemployment rates."

## Douglas County Nevada | Preliminary Plan

Further, "Due to the decline of the Lake Tahoe economy and a housing market dominated by second homes, the population in the Lake Tahoe Regional Plan declined from 6,739 people in 2000 to 5,227 in 2010 (U.S. Census), with the loss of some 10,000 permanent residents basin wide since 2000. This decline in population also resulted in declining school population and the closure of Kingsbury Middle school in 2011."

Also, "Douglas County recognizes that the Lake Tahoe economy is suffering from complex land use regulations, an aging built environment, the absence of a comprehensive multi-modal transportation system, high unemployment rates, a declining permanent population, declining school enrollment, overall economic decline and the lack of investment in community revitalization."

Finally "in order to revitalize the Lake Tahoe economy, Douglas County has been focusing on Tahoe Revitalization as part of the Economic Vitality and Strategy Action Plan. The goal is to transform the South Shore area from its dependence on gaming to an outdoor recreation based economy."

Formation of the Lake Redevelopment Area and formulation of the Lake Redevelopment Area Plan will maintain consistency with the principles articulated in the 2011 Master Plan Update, and redevelopment projects will be considered with these factors in mind.

### General Impact of the Project Upon the Residents Thereof and Upon Surrounding Neighborhoods

It is proposed that the principal purpose of the Lake Redevelopment Area Plan be the elimination and prevention of blight through the assistance and encouragement of public and private rehabilitation and redevelopment efforts, through selective land acquisition, clearance and disposition for private redevelopment, and through the provision of new or replacement of existing public improvements, facilities, and utilities within, and serving, the Lake Redevelopment Area. Direct redevelopment activity should occur only when sufficient financial resources are available and such action will produce effective and immediate redevelopment results.

The impact of the Lake Redevelopment Plan upon occupants of that area, and surrounding neighborhoods may, in general, be in the areas of relocation, traffic circulation, public facilities and services, environmental quality, employment opportunity and economic development. Redevelopment Agency activity in the proposed Lake Redevelopment Area may include property acquisition, relocation of occupants or businesses, demolition of structures, construction of public improvements, public/private partnerships and land disposition for private development.

### Report and Recommendations of the Planning Commission

NRS Section 279.528 requires that the Planning Commission submit the Preliminary Plan for the Lake Redevelopment Area to the Redevelopment Agency for review and analysis. NRS 279.528 requires the Redevelopment Agency to provide an analysis of the Preliminary Plan as part of its Report to the County Commission. NRS 279.570 then requires that a report and recommendation of the Planning Commission be developed and submitted to the Redevelopment Agency prior to the Plan's adoption. NRS 279.570 also states that the Planning Commission must make a finding that the Redevelopment Plan conforms to the Master Plan of the community.

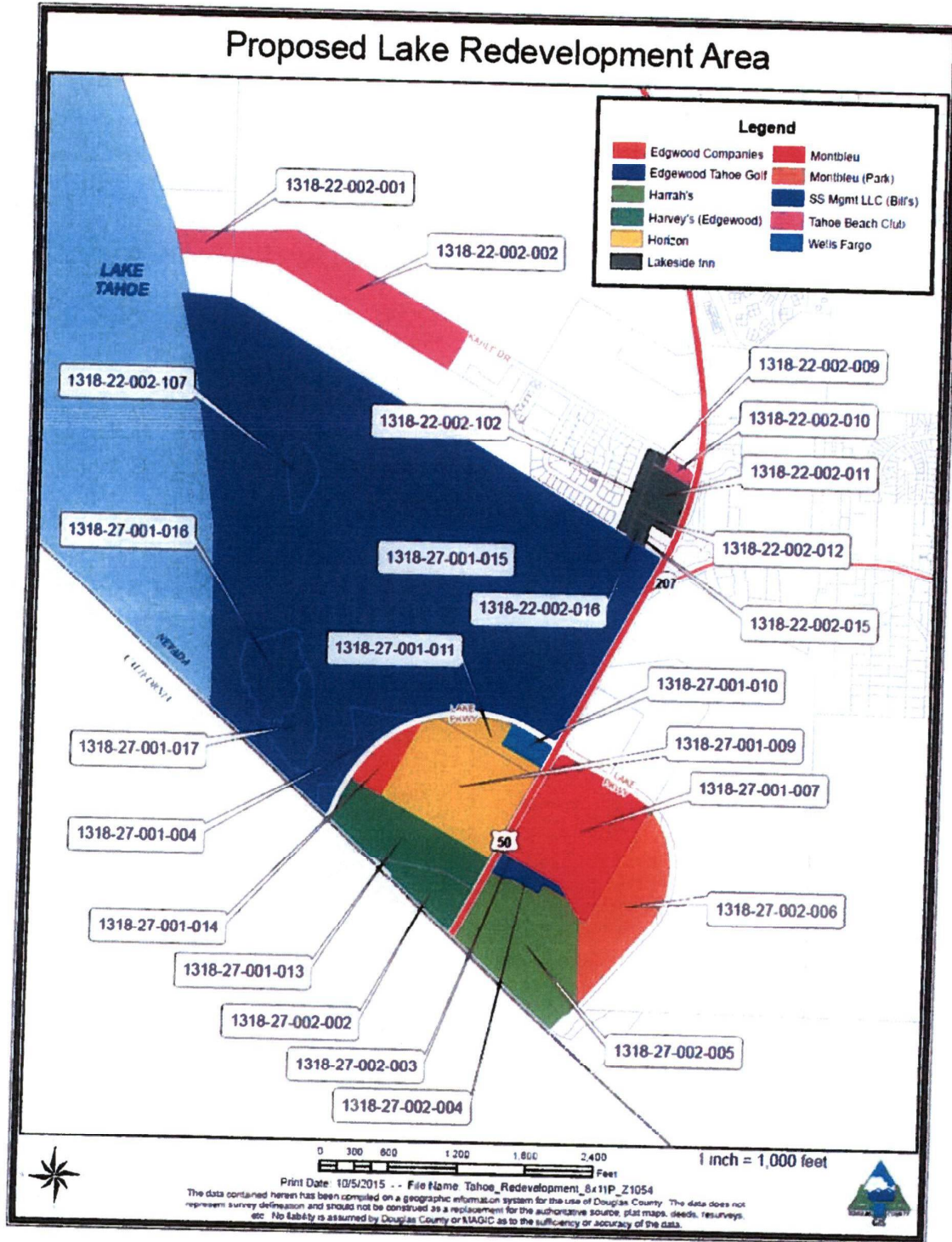
Douglas County Nevada | Preliminary Plan

- It is anticipated that Douglas County's Planning Commission will receive the Lake Redevelopment Area Plan from the Douglas County Redevelopment Agency on November 20, 2015, and provide its report and recommendations with findings that the proposed Redevelopment Plan conforms to Douglas County's 2011 Master Plan Update at its December 8, 2015 meeting.
- The Planning Commission's report and recommendation will be submitted either as a supplement to the Report to the County Commission, or as part of the record of the joint public hearing on the proposed Redevelopment Plan.



Douglas County Nevada | Preliminary Plan

Exhibit A – Land Use Map



Attachment: Exh B -Report -- Redevelopment Area No. 2 (1358 : Submission of Redevelopment Plan and Report to BOCC)

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**DOUGLAS COUNTY REDEVELOPMENT AGENCY**  
**REPORT AND RECOMMENDATIONS OF**  
**THE PLANNING COMMISSION**

December 8, 2016




**Douglas County Planning Commission Report and Recommendation of Approval of  
Redevelopment Plan for Redevelopment Area #2**

Nevada Revised Statute (NRS) 279.570 provides that the Planning Commission is to review the proposed Redevelopment Plan and make its report and recommendation concerning the Redevelopment Plan to the Redevelopment Agency and County Commission. Accordingly, the Planning Commission has duly evaluated and reviewed the Redevelopment Plan for proposed Redevelopment Area #2 and finds that:

- The Redevelopment Plan is in conformity with the Douglas County Master Plan and other applicable planning documents.
- The zoning and land uses permitted within the proposed Redevelopment Area #2 will be governed by applicable planning documents, and Douglas County code.
- The Redevelopment Plan is in compliance with the requirements of NRS Chapter 279, and includes all required provisions.

Therefore, the Douglas County Planning Commission has considered the proposed Redevelopment Plan, as well as its conformity to the County's Master Plan and other applicable planning documents, and by majority vote of the Planning Commission recommends approval and adoption of the Redevelopment Plan for proposed Redevelopment Area #2.

Dated: 01/06/2016

  
Frank Godecke, Chairman  
Douglas County Planning Commission



# LEGAL DESCRIPTION OF PARCELS WITHIN REDEVELOPMENT AREA #2

## January 21, 2016

Attachment: Exh B -Report -- Redevelopment Area No. 2 (1358 : Submission of Redevelopment Plan and Report to BOCC)

**EXHIBIT "A"**

JN 8778.000  
Task 004

**REDEVELOPMENT AREA**

All that real property situate within portions of Sections 22, 23, 26, & 27, Township 13 North, Range 18 East, M.D.M., County of Douglas, State of Nevada, being more particularly described as follows:

**AREA 1****A.P.N.'s 1318-22-002-009, 010, 011, 012, 015, 016, & 102**

**COMMENCING** at a point on the west right of way line of United States Highway 50, created by Deed recorded in Book U of Deeds, Page 10, Douglas County, Nevada records, said point being described as bearing South 60°13'00" West, 127.00 feet from the Section Corner common to Sections 22, 23, 26, and 27, Township 13 North, Range 18 East, M.D.M.

**THENCE** North 60°56'54" West, 170.00 feet to the westerly corner of that certain parcel of land as described in Grant, Bargain, Sale Deed, Document Number 842158, Douglas County, Nevada records; and the **TRUE POINT OF BEGINING**;

**THENCE** North 60°56'54" West, 180.00 feet;

**THENCE** North 18°23'35" East, 786.21 feet to the southerly right of way line of Kahle Drive as on the Official Recorded Map of Oliver Park, filed in the Office of the County Recorder of Douglas County, Nevada, on February 2, 1959, as Document No. 14030.

**THENCE** easterly along said southerly right of way, South 61°11'11" East, 306.88 feet;

**THENCE** continuing along said southerly right of way, South 41°47'56" East, 60.25 feet to the westerly right of way line of said United States Highway 50, said point lying in a curve concave to the west having a radius of 2,460.00 feet, the radius point of said curve bears North 79°47'54" West;

**THENCE** southerly along said westerly right of way line 573.75 feet along said curve, through a central angle of 13°21'47" to the easterly corner of that certain parcel of land as described in Grant Deed, Document Number 841731, Douglas County, Nevada records;

**THENCE** leaving said westerly right of way line along the northerly line of said parcel of land as described in Grant Deed, Document Number 841731, North 61°00'00" West, 200.00 feet to the corner of said parcel;

**THENCE** along the westerly line of said parcel of land as described in Grant Deed, Document Number 841731, South 24°26'47" West, 75.00 feet to a corner of said parcel;

**THENCE** along the southerly line of said parcel of land as described in Grant Deed, Document Number 841731, South 61°00'00" East, 12.36 feet to a corner of said parcel;

**THENCE** along the westerly line of said parcel of land as described in Grant Deed, Document Number 841731, South 18°24'08" West, 12.73 feet to a corner of said parcel and the northerly corner of that certain parcel of land as described in Grant, Bargain, Sale Deed, Document Number 842158, Douglas County, Nevada records;

**THENCE** along the westerly line of said parcel of land as described in Grant, Bargain, Sale Deed, Document Number 842158, Douglas County, Nevada records, South 18°24'08" West, 109.24 feet to the **TRUE POINT OF BEGINNING**.

**TOGETHER WITH** Lots 1 through 12 inclusive, in Block 1, as shown on the Official Recorded Map of Oliver Park, filed in the Office of the County Recorder of Douglas County, Nevada, on February 2, 1959, as Document No. 14030.

## AREA 2

### A.P.N.'s 1318-22-002-001 & 002

All that certain real property located at 346 Eugene Drive, Stateline, Nevada 86448, identified as Douglas County Assessor's Parcel Numbers 1318-22-002-001 and 1318-22-002-002, and commonly known as the Tahoe Shores Mobile Home Park, described in that Grant, Bargain and Sale Deed, Document Number 2015-870076, more particularly described as follows:

#### PARCEL NO. 1

Being a portion of the South one-half and the Southeast one-quarter of the Northwest one-quarter of Section 22, Township 13 North, Range 18 East, M.D.B. & M., described as follows:

**COMMENCING** at the section corner common to Sections 22, 23, 26 and 27 of said Township and Range;

**THENCE** South 60°13' West, a distance of 127.20 feet;

**THENCE** North 61° West, a distance of 1340.20 feet to the most easterly corner of the Nevada State Farm Bureau property as described in the deed recorded January 7, 1954 in Book B-1 of Deeds, at Page 14, Douglas County, Nevada, Records, being also the southwesterly corner of the property shown on the map of Oliver Park, as filed on February 2, 1959 in the office of the County Recorder of Douglas County, Nevada;

**THENCE** North along the easterly line of said Farm Bureau property, a distance of 300.00 feet to an angle point and being the northwesterly corner of Lot 16, in Block 3 as shown on the Map of Oliver Park;

**THENCE** continuing along the northeasterly and northerly lines of said Farm Bureau property, and the southerly line of the property conveyed to Tahoe Village Properties, Inc., by deed recorded August 19, 1955 in Book B-1 of Deeds, at Page 417, Douglas County, Nevada, Records, North 32°20'40" West, a distance of 362.80 feet;



**THENCE** continuing along the line common to said properties North 60°40'41" West, a distance of 648.68 feet, to the southwesterly corner of the property conveyed to R.D. Keillor, Et Al, by deed recorded April 16, 1963 in Book 16 of Official Records, at Page 695, Douglas County, Nevada, Records, the **TRUE POINT OF BEGINNING**;

**THENCE** from the **TRUE POINT OF BEGINNING**, North 60°46'32" West (North 60°40'53" West), 1744.35 feet; (1744.33 feet);

**THENCE** North 81°15'50" West (North 81°12'08" West), 399.30 feet (399.40 feet) to the southwesterly corner of the property conveyed to Tahoe Village Properties, Inc., as above referred to;

**THENCE** North 00°02'04" West (North), 217.00 feet along the west line of said property;

**THENCE** North 86°49'14" East (North 86°55'13" East), along the northerly line of said property, a distance of 561.96 feet;

**THENCE** continuing along said northerly line, South 61°16'41" East (South 61°11'11" East), a distance of 1747.00 feet, to a point from which the point of beginning bears South 28°48'49" West;

**THENCE** South 28°44'42" West (South 28°48'49" West), along the northerly extension of the westerly line of the property conveyed to R. D. Keillor, Et Al, as above referred to and the westerly line thereof, a distance of 366.03 feet (365.71 feet) to the **TRUE POINT OF BEGINNING**.

#### PARCEL NO. 2

**BEGINNING** at a point on the meander line of Lake Tahoe, which point is the Southwest corner of Lot 2, of Section 22, Township 13 North, Range 18 East, M.D.B.& M.,

**THENCE** along a line hereafter referred to as Course 1, North 89°59'24" East 509.52 feet along the quarter section line to the Center-West one sixteenth corner (West one sixteenth corner);

**THENCE** South 00°02'04" East (South along the one sixteenth line), 217.00 feet;

**THENCE** North 89°11'56" West (North 89°11'30" West), 457.06 feet, to a point on the Meander Line, which point is South 14°02'15" East (South 14°00'00" East) 217.00 feet from the **POINT OF BEGINNING**;

**THENCE** continuing North 89°11'56" West (North 89°11'30" West), 50 feet, more or less, to a point on the ordinary low water line of Lake Tahoe at elevation 6233.00 Lake Tahoe Datum;

**THENCE** northwesterly, 222 feet, more or less, along said ordinary low water line at 6223.00 Lake Tahoe Datum, to a point on the westerly extension of the aforesaid Course 1;

**THENCE** along the westerly extension of the aforesaid Course 1, North 89°59'24" East, 75 feet, more or less, to the **POINT OF BEGINNING**.

Excepting any portion of the above described property lying below the 6223.00 level of Lake Tahoe and also any artificial accretions to said land waterward of said land or natural ordinary

low water or if lake level has been artificially lowered. Excepting any portion below such elevation as may be established as the boundary by boundary line adjustment with the State or by quiet title action in which the State is a party.

### AREA 3

**A.P.N.'s 1318-27-002-002, 003, 004, 005, 006, a Portion of 008  
1318-27-001-004, 007, 009, 010, 011, 013, 014, 015, 016, 017  
1318-22-002-107 and a Portion of Roadways**

All that certain real property in the County of Douglas, State of Nevada, being a portion of the South ½ of Section 22, and the North ½ of Section 27, Township 13 North, Range 18 East, M.D.B.& M. described as follows:

**BEGINNING** at the point on the intersection of the California-Nevada State Line and the Western right-of-way line of Lake Parkway, from which a General Land Office (GLO) Brass Cap monument, also on said State Line, stamped "1946", shown on Parcel Map Document #361489 of Official Records of Douglas County, bears South 47°51'50" East a distance of 487.96 feet;

**THENCE** along said State Line, North 47°51'50" West a distance of 1263.56 feet to a GLO Brass Cap monument as shown on said Document #361489 of Official Records of Douglas County;

**THENCE** continuing along said State Line, North 47°51'50" West a distance of 124.43 feet to a point on the Low Water Line of Lake Tahoe, being elevation 6223.0 feet above mean sea level on Lake Tahoe Datum;

**THENCE** leaving said State Line and continuing along the said low water line of Lake Tahoe, North 03°53'55" East a distance of 151.92 feet;

**THENCE** continuing along said Low Water Line, North 01°05'58" West a distance of 1427.87 feet;

**THENCE** continuing along said Low Water Line, North 07°47'41" West a distance of 1209.12 feet as per Book 288 Page 501 of Official Records of Douglas County;

**THENCE** continuing along said Low Water Line, North 12°25'21" West a distance of 776.32 feet;

**THENCE** leaving said Low Water Line, South 85°08'03" East a distance of 434.79 feet;

**THENCE** South 60°14'33" East a distance of 4256.91 to a point on the North line of Section 27, Township 13 North, Range 18 East, M.D.B.&M., from which said point the Northeast corner of said Section 27 bears South 87°53'49" East a distance of 233.68 feet;

**THENCE** South 60°14'33" East a distance of 141.07 feet to a point on the western right-of-way line of U.S. Highway 50;



**THENCE** along said western right-of-way of U.S. Highway 50, South 28°47'40" West a distance of 1806.07 feet, more or less, to the intersection of the U.S. Highway 50 right of way projection and the centerline of Lake Parkway (formerly known as Loop Road);

**THENCE** along said centerline of Lake Parkway, South 62°00'03" East a distance of 755.28 feet, more or less, to the beginning of a curve to the right, having a radius of 830.00 feet;

**THENCE** continuing along said centerline, along said curve, a distance of 1,511.72 feet, through a central angle of 104°21'20";

**THENCE** continuing along said centerline, South 42°21'28" West a distance of 852.58 feet;

**THENCE** continuing along said centerline, South 43°10'06" West a distance of 325.56 feet, more or less, to the intersection of the California-Nevada State Line;

**THENCE** along said California-Nevada State Line, North 47°52'13" West a distance of 1957.4 feet, more or less to the southerly corner of that certain parcel of land as described in Grant, Bargain, and Sale Deed, Document Number 620271, Douglas County, Nevada records;

**THENCE** leaving said California-Nevada State Line, along the following 3 courses around that said parcel of land as described in Grant, Bargain, and Sale Deed, Document Number 620271;

1. North 41°18' East, 50 feet;
2. North 48°42' West and parallel to said California-Nevada State Line, 200 feet;
3. North 80°42' West, 95.42 feet to said California-Nevada State Line;

**THENCE** along said California-Nevada State Line, North 47°51'50" West a distance of 501 feet, more or less, to the **POINT OF BEGINNING** and **END OF THIS DESCRIPTION**.



01/07/16

Prepared by Lumos & Associates  
 Gregory S. Phillips, P.L.S. 17616  
 800 E. College Parkway  
 Carson City, NV 89706



## References

[Douglas County Master Plan](#)

[Douglas County Strategic Plan Fiscal Years 2014-15 through 2017-18](#)

[Douglas County Development Code \(Title 20 of the Douglas County Code\)](#)

[Douglas County, Nevada Business and Development Guide](#)

[South Shore Area Plan](#)

[South Shore Design Standards and Guidelines](#)

[Draft Tahoe Douglas Area Plan](#)

[Draft Amended South shore Area Plan](#)

[Draft Tahoe Design Standards and Guidelines](#)

## References

[Douglas County Master Plan](#)

[Douglas County Strategic Plan Fiscal Years 2014-15 through 2017-18](#)

[Douglas County Development Code \(Title 20 of the Douglas County Code\)](#)

[Douglas County, Nevada Business and Development Guide](#)

[South Shore Area Plan](#)

[South Shore Design Standards and Guidelines](#)

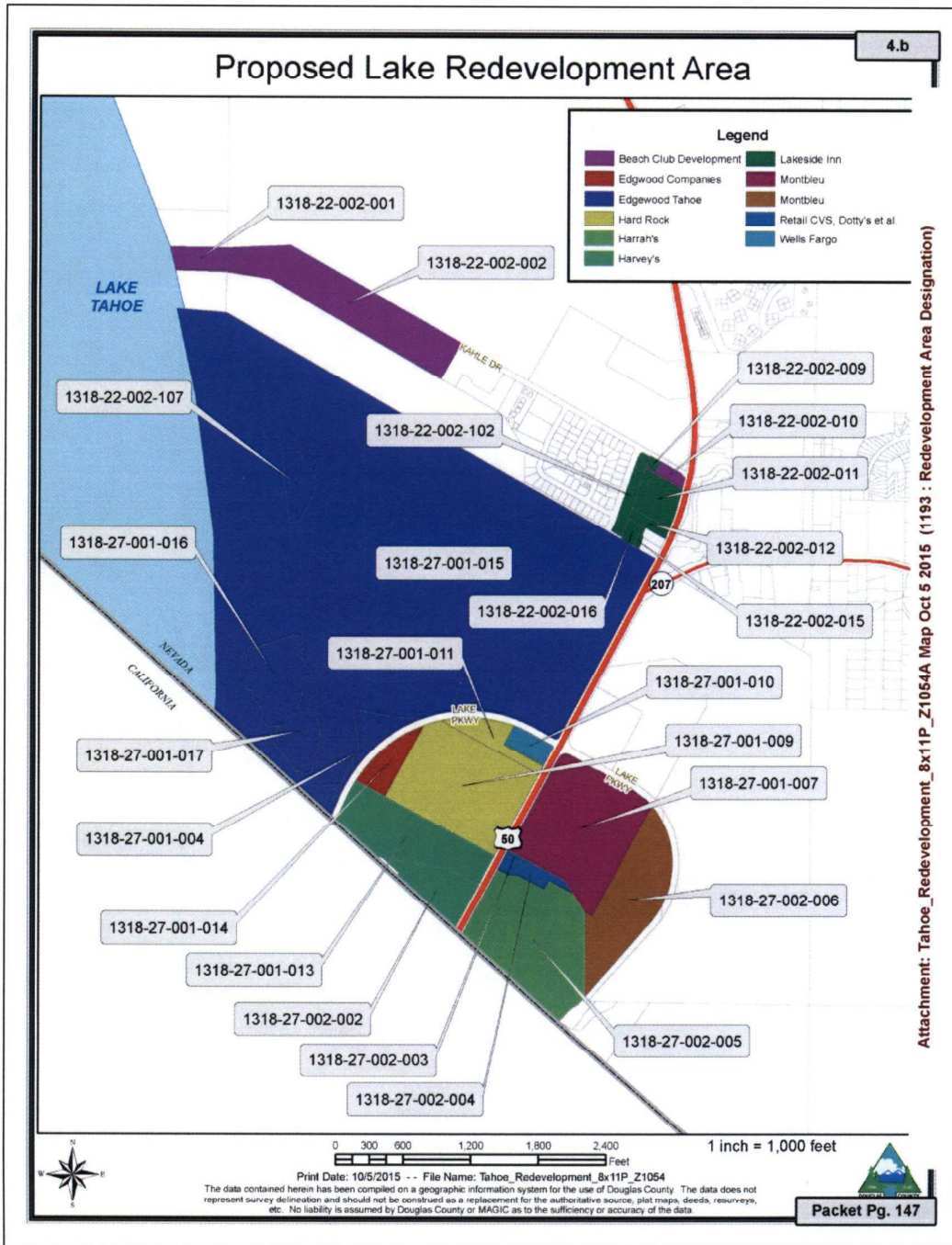
[Draft Tahoe Douglas Area Plan](#)

[Draft Amended South shore Area Plan](#)

[Draft Tahoe Design Standards and Guidelines](#)

Appendices

Appendix A – Map – Douglas County Redevelopment Area #2



Attachment: Exh B -Report -- Redevelopment Area No. 2 (1358 : Submission of Redevelopment Plan and Report to BOCC)



**Douglas County Board of County Commissioners**

**AGENDA ACTION SHEET**

**Title:** For possible action. Discussion to Introduce Ordinance 2016-1456 approving and adopting the Redevelopment Plan for Douglas County Redevelopment Area No. 2 (1st Reading). (Zach Wadlé)

**Recommended Motion:** Introduce Ordinance 2016-1456 approving and adopting the Redevelopment Plan for Douglas County Redevelopment Area No. 2.

**Financial Impact:** Beginning in fiscal year 2016-17, incremental property tax increases for properties within the redevelopment area will be diverted from receiving taxing agencies, including Douglas County, to the redevelopment agency for redevelopment purposes within the redevelopment area. Net tax increment over the 30-year life of the redevelopment area is estimated to total \$47.2 million in current (2016) dollars. See the Redevelopment Plan Report and Proposed Method of Financing and Economic Feasibility section in the previous redevelopment agenda item for additional information.

**Prepared by:** Zach Wadle

**Meeting Date:** January 21, 2016      **Time Required:** 10 minutes

**Agenda:** Administrative

**Background Information:** The last step in the process of forming a Redevelopment Area and adopting a Redevelopment Plan requires the Board to enact an Ordinance approving and adopting the Redevelopment Plan for Redevelopment Area No. 2 in compliance with NRS 279.586. Ordinance No. 2016-1456 is attached as **Exhibit A**, and includes all components required under NRS 279.586. After the introduction of the Ordinance, Nevada law requires the Board to hold a public hearing to consider all evidence and testimony for and against the adoption of the Redevelopment Plan. This public hearing is scheduled to occur at the February 18, 2016, Board meeting, at which time the Board will consider relevant evidence, testimony, public comment, and the possible adoption of Ordinance No. 2016-1456.

**Agenda Item #**

## ORDINANCE NO. 2016-1456

### SUMMARY

Ordinance 2016-1456 approving and adopting the Redevelopment Plan for the Douglas County Redevelopment Area No. 2.

### TITLE

**Ordinance 2016-1456** approving and adopting the Redevelopment Plan for the Douglas County Redevelopment Area No. 2.

The Board of County Commissioners of the County of Douglas, State of Nevada, does ordain as follows:

**WHEREAS**, the Board of County Commissioners of Douglas County (the “Board of Commissioners”) has received from the Douglas County Redevelopment Agency (the “Agency”) the proposed Redevelopment Plan (the “Redevelopment Plan”) for the Douglas County Redevelopment Area No. 2 (the “Redevelopment Area”), as described in the “Legal Description of the Redevelopment Area” both attached hereto and incorporated herein by reference, a copy of which is on file at the office of the Agency at 1594 Esmeralda Avenue, Minden, Nevada, 89423, and at the Office of the County Clerk at 1616 8<sup>th</sup> Street, Minden, Nevada, 89423 together with the Report of the Agency to the Board of Commissioners on the proposed Redevelopment Plan, including: (1) the reasons for the selection of the Redevelopment Area; (2) a description of the physical, social, and economic conditions existing in the Redevelopment Area; (3) a description of the proposed method of financing the Redevelopment Plan in sufficient detail so that the Board of Commissioners may determine the economic feasibility of the Redevelopment Plan; (4) a plan for the relocation of persons and families who may be temporarily or permanently displaced from housing facilities in the Redevelopment Area; (5) an analysis of the Preliminary Plan for the Redevelopment Area; and (6) the Report and Recommendation of the Planning Commission of Douglas County (the “Planning Commission”); and

**WHEREAS**, on December 8, 2015, the Planning Commission determined that the Redevelopment Plan conforms to the Master Plan of the County of Douglas and has unanimously recommended approval of the Redevelopment Plan; and

**WHEREAS**, the Board of Commissioners held a public hearing at the Tahoe Transportation Center, 169 Highway 50, Stateline, Nevada on February 18, 2016, to consider adoption of the Redevelopment Plan; and

WHEREAS, a notice of said hearing was duly and regularly published in the Record Courier, a newspaper of general circulation in Douglas County once a week for four consecutive weeks prior to the date of said hearing.

Section 1 – As particularly set forth in the Report of the Agency to the Board of Commissioners, the following findings and determinations are made by the Board of County Commissioners concerning the Redevelopment Area and Redevelopment Plan:

- (1) The Redevelopment Area is characterized and suffers from a combination of blighting physical and economic conditions, including: buildings and structures that are unfit or conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime because of defective design and character of physical construction, inadequate provision for ventilation, light, sanitation, open spaces and recreational facilities, and aged obsolescence, deterioration, dilapidation or disuse resulting from faulty planning; the subdividing and sale of lots of irregular form and shape and inadequate size for proper usefulness and development; the existence of inadequate streets, open spaces and utilities; a prevalence of depreciated values, impaired investments and social and economic maladjustment to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered or needed; and/or a growing or total lack of proper utilization of some parts of the area resulting in a stagnant and unproductive condition of land that is potential useful and valuable for contributing to the public health, safety, and welfare.
- (2) The Redevelopment Plan will redevelop the Redevelopment Area in conformity with the Nevada Community Redevelopment Law and in the interests of the peace, health, safety and welfare of the community. This finding is based upon the fact that redevelopment of the Redevelopment Area will implement the objectives of the Community Redevelopment Law by: aiding in the elimination and correction of the conditions of blight; providing for planning, development, redesign, clearance, reconstruction, or rehabilitation of properties that need improvement(s); providing additional employment opportunities; and providing for higher economic utilization of potentially useful land.
- (3) Adequate provisions have been made for the payment of principal and interest on any bonds that may be issued by the Agency. This finding is based on the facts, as more particularly set forth in the Report of the Agency to the Board of Commissioners, and requirements of the Redevelopment Plan that under the Redevelopment Plan the Agency will be authorized to seek potential financing resources, including property tax increment funding; that the nature and timing of public redevelopment assistance will depend on the amount and availability of available financing resources, including property tax increments generated by new investment in the Redevelopment Area; and that



under the Redevelopment Plan no public redevelopment activity will be undertaken unless the Agency can demonstrate that it has adequate revenue to finance the activity.

- (4) The Redevelopment Plan conforms to the Master Plan of the County of Douglas. This finding is based upon the goals established for the Redevelopment Area in Douglas County Planning Documents, and the unanimous finding of the Planning Commission that the Redevelopment Plan conforms to the Master Plan.
- (5) The condemnation of real property, if any, as provided for in the Redevelopment Plan, may be necessary to the execution of the Redevelopment Plan, and adequate provisions have been made for the payment for property to be acquired as provided for by Nevada law. This finding is based upon the need to ensure that the provisions of the Redevelopment Plan will be carried out and to prevent the recurrence of blight.
- (6) If temporary or permanent displacement of occupants of housing in the Redevelopment Area is necessary in accordance with carrying out the objectives of the Redevelopment Plan, adequate permanent housing is or will be made available in the community for displaced occupants of the Redevelopment Area at rents comparable to those in the community at the time of the displacement in accordance with Nevada law.
- (7) All noncontiguous areas of the Redevelopment Area are either blighted or necessary for effective redevelopment of the Redevelopment Area. This finding is based upon the fact that the boundaries of the Redevelopment Area were chosen to include lands that were under or improperly utilized because of blighting influences, or affected by the existence of blighting influences, or have land uses that significantly contribute to blighting conditions, or which are necessary to accomplish the objectives and benefits of the Redevelopment Plan.
- (8) Inclusion of any lands, buildings, or improvements in the Redevelopment Area which are not detrimental to the public health, safety, or welfare is necessary for the effective redevelopment of the entire Redevelopment Area of which they are a part.

Section 2 – In order to implement and facility the effectuation of the Redevelopment Plan, certain official actions must be taken by the Board of Commissioners; accordingly, the Board of Commissioners hereby: (a) pledges its cooperation in helping to carry out the Redevelopment Plan; (b) directs the various officials, departments, boards, and agencies of the County of Douglas having administrative responsibilities in the Redevelopment Area likewise to cooperate to such ends and to exercise their respective functions and powers in a manner consistent with the Redevelopment Plan; (c) stands

ready to consider and take appropriate action on proposals and measures designed to effectuate the Redevelopment Plan; and (d) declares its intention to undertake and complete any proceeding, including the expenditure of moneys, necessary to be carried out by the County under the provisions of the Redevelopment Plan.

Section 3 – That certain document entitled “Douglas County, Nevada – Redevelopment Plan – Redevelopment Area No. 2” a copy of which is on file in the office of the County Clerk and attached hereto, is hereby incorporated by reference herein and designated as the official Redevelopment Plan for Redevelopment Area No. 2.

Section 4 – The Douglas County Building Department is hereby directed after the effective date of this Ordinance to advise all applicants for building permits within the Redevelopment Area that the site for which a building permit is sought for the construction of buildings or for other improvements is within a redevelopment area.

Section 5 – The County Clerk is hereby directed to send a certified copy of this Ordinance to the Agency, and the Agency is hereby vested with the responsibility for carrying out the Redevelopment Plan.

Section 6 – The County Clerk is hereby directed to record with the County Recorder of Douglas County a notice of the approval and adoption of the Redevelopment Plan pursuant to this Ordinance, containing a description of the land within the Redevelopment Area and a statement that proceedings for the redevelopment of the Redevelopment Area have been instituted under the Nevada Community Redevelopment Law.

Section 7 – The County Clerk is hereby directed to transmit a copy of the description and statement recorded pursuant to Section 6 of this Ordinance, a copy of this Ordinance, and a map indicating the boundaries of the Redevelopment Area, to the auditor and Assessor of Douglas County; to the officer who performs the functions of auditor or assessor for any taxing agency that, in levying or collecting its taxes, does not use the County assessment roll or does not collect its taxes through the County; and to the governing body of each of the taxing agencies that receives taxes from the property in the Redevelopment Area within twenty (20) days following adoption of this Ordinance.

Section 8 – The County Clerk is hereby directed to certify the passage of this Ordinance and to cause the same to be published once a week for two weeks in a newspaper of general circulation in the County of Douglas.

Section 9 – If any part of this Ordinance or the Redevelopment Plan which it approves is held to be invalid for any reason, such decision shall not affect the validity of the remaining portion of this Ordinance or of the Redevelopment Plan, and this Board of Commissioners hereby declares that it would have passed the remainder of this Ordinance and/or approved the remainder of the Redevelopment Plan if such portion thereof had been deleted.

Section 10 – This Ordinance shall be in fully force and effect immediately upon its adoption by the Board of Commissioners.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2016, by the following vote:

Vote: Ayes: Commissioners \_\_\_\_\_

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Nays: Commissioners \_\_\_\_\_

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Absent: Commissioners \_\_\_\_\_

\_\_\_\_\_  
Doug N. Johnson, Chairman  
Douglas County Board of Commissioners

Attest:

\_\_\_\_\_  
Kathy Lewis, Douglas County Clerk

\_\_\_\_\_  
Laure Penny, Clerk to the Board

This Ordinance is effective on the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Attachment: Exh A -- Ordinance 2016-1456 Adopting Redevelopment Area & Plan (1375 : Introduction of Ordinance 2016-1456 Creating