

STAFF REPORT

Date: August 14, 2024

To: Mayor and City Council

Through: Jackie Bryant, Interim City Manager

Subject: Staff Report (For Possible Action): Presentation, discussion, and potential direction to staff regarding bill draft requests (BDRs) for the 83rd (2025) Session of the Nevada Legislature.

From: Nic Ciccone, Government Affairs Manager

Department: City Manager's Office

Summary:

The City is authorized to submit up to two bill draft requests (BDRs) for the 83rd Session of the Nevada Legislature, which is scheduled to begin on February 3, 2025. Staff solicited BDR ideas from Council Members, City staff, and the Reno City Charter Committee, and narrowed down the BDR list following preliminary analysis, research, and conversations. Staff is seeking Council direction on which BDR topics, if any, to move forward with and/or submit by the September 1, 2024, deadline.

Alignment with Strategic Plan:

Fiscal Sustainability

Economic Opportunity, Homelessness, and Affordable Housing

Economic and Community Development

Infrastructure, Climate Change, and Environmental Sustainability

Arts, Parks, and Historical Resources

Governance and Organizational Effectiveness

Previous Council Action:

July 29, 2024: Council accepted the 2024 Charter Committee's final report and recommendations.

July 24, 2024: Council provided feedback to staff on the five identified BDR topics.

Background:

Nevada Revised Statutes (NRS) 218D.205 specifies that the City is allocated two BDRs. BDRs are requests to change state law, and City-sponsored BDRs typically seek to allow for more

efficient and effective service delivery to residents and benefit the City of Reno and its residents. The subjects of the City’s BDRs must be submitted to the Legislative Counsel Bureau (LCB) on or before September 1, 2024.

Discussion:

Members of the City’s government affairs team sought BDR ideas from Council Members and City staff. Staff completed a preliminary analysis of the submitted concepts and reviewed the ideas based on the following factors:

- Alignment with the City of Reno Strategic Plan 2020 to 2025
- Impact (i.e. expected positive impact on Reno residents or City operations and service delivery)
- Need (i.e. urgency for a solution, a change to state law is needed to effectuate the change/other solutions have been explored, Reno-specific need)
- Concept Readiness (i.e. clear problem and solution identified, initial stakeholder conversations occurred)
- Political Capacity (i.e. controversial nature of the topic, potential legislative procedural rules)

Additionally, the Reno City Charter Committee recommended four amendments to the City’s governing document and presented their final report and recommendations to Council on July 29, 2024. Financial implications related to the amendments were discussed but were not readily available at the July 29 meeting. Revised financial implications are listed below.

At the July 30, 2024, Capital Projects Surcharge Advisory Committee (CPSAC) meeting, some members of the committee expressed concerns regarding increasing the rate of the \$2 surcharge. Though the committee did not provide specific direction, some members expressed that they are open to the idea of expanding the district to include hotels without a nonrestricted gaming license.

The table below summarizes the five potential BDRs:

SUMMARY OF POTENTIAL BDRS FOR THE 83 RD LEGISLATIVE SESSION	
Ref. #	Description
BDR24-001	Changes to the Reno City Charter. Four proposed amendments: <ul style="list-style-type: none">• Amendment 2024-001: Requires that the City Council declare a special election if there are more than 180 days until the next general municipal election• Amendment 2024-002: Changes the terms of Charter Committee members appointed by the legislature to align with the terms of an individual officeholder

	<ul style="list-style-type: none"> • Amendment 2024-003: Requires that the City Manager reside in the City of Reno not later than six months after the date of his or her appointment • Amendment 2024-004: Elimination of gendered language throughout the Reno City Charter
BDR24-002	<p>Changes to the residential construction tax (RCT) (NRS 278.4983 – 278.4987), including:</p> <ul style="list-style-type: none"> • Raising the statutory cap – currently capped at \$1,000 per unit • Allow for cities/counties to consolidate districts to create one singular district for future use • Remove the 25-acre limit for parks created with RCT funding
BDR24-003	<p>Changes to the Capital Surcharge Fund (NRS 268.798), including:</p> <ul style="list-style-type: none"> • Increasing the surcharge amount per room night (currently limited to \$2) • Place a limitation on how often or by how much the surcharge can be increased • Expand the district to include hotels that do not hold a nonrestricted gaming license
BDR24-004	<p>Support the creation of a State of Nevada fund to replenish the costs of waiving fees for impact fees, building, sewer, and/or enterprise fees for the provision of affordable housing (NRS 278.235)</p>
BDR24-005	<p>Update on discussions related to a funding mechanism for the regionalization or consolidation of fire departments in the Truckee Meadows</p>

Council may select up to two BDRs and may select or amend the ideas above to submit to the state for drafting. Council is not limited to discussing or selecting from these options. Council may also direct staff to find alternative sponsors. City of Reno-sponsored BDRs must be submitted by September 1, 2024.

Council is not required to submit any BDRs. In lieu of a specific request, the body may also opt for the City's government affairs team to spend time focusing on other priority issues, such as housing, that are anticipated to be addressed through various bills sponsored by other stakeholders during the 83rd Legislative Session.

In addition to BDRs, Council will adopt a policy platform to give guidance to staff as to the City's interest in potential legislation on various topics and policy issues. The platform will be drafted in the coming months and will be scheduled for adoption prior to the start of the legislative session.

Financial Implications:

Amendment 2024-001 to the Reno City Charter would require that the Reno City Council hold a special election in the event of a vacancy if the next general municipal election is more than 180 days from the timing of the vacancy. According to the Registrar of Voters office in 2022, a single

ward election would cost approximately \$102,000 in fiscal year (FY) 22/23. Staff has requested updated figures from the Registrar of Voters office for ward-specific and mayoral vacancies. There are no known financial implications for the other BDR topics at this time.

Legal Implications:

Legal review completed for compliance with City procedures and Nevada law.

Recommendation:

In lieu of a specific BDR, staff recommends Council direct staff to prioritize efforts to advance affordable housing legislation that will align with the City's legislative policy platform, which will be adopted prior to the legislative session. Additionally, staff recommends Council direct staff to continue to prioritize efforts to collaborate with stakeholders to identify a funding mechanism for the regionalization/consolidation of fire protection services in advance of the 84th (2027) Session of the Nevada Legislature.

Proposed Motion:

I move to direct staff to prioritize efforts to advance affordable housing legislation that aligns with the City's final legislative policy platform and to continue to work with regional partners to identify a funding mechanism for the regionalization or consolidation of fire protection services in the Truckee Meadows in advance of the 84th (2027) Session of the Nevada Legislature.

Attachments:

2024 Charter Committee Final Report & Recommendations