

ORDINANCE NO. 2243
(Redevelopment Plan Amendment – Downtown Redevelopment Area)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HENDERSON, NEVADA APPROVING AND ADOPTING AMENDMENTS TO THE REDEVELOPMENT PLAN INCLUDING CLARIFICATION OF THE POWER OF EMINENT DOMAIN TO EXCLUDE LOW-DENSITY RESIDENTIAL PROPERTIES AS SHOWN ON THE OFFICIAL CITY OF HENDERSON ZONING MAP.

- WHEREAS, The Henderson Redevelopment Plan ("Redevelopment Plan") was approved and adopted by the City Council pursuant to Ordinance No. 1618 on October 4, 1995, a copy of which is on file with the City of Henderson Clerk's Office at 240 Water Street, Henderson, NV 89015; and
- WHEREAS, the City of Henderson Redevelopment Agency ("Agency") has requested that the City Council consider adopting amendments to the Redevelopment Plan for the purposes of improving the administration and implementation of the Redevelopment Plan so as to better accomplish the purposes and goals of removal and alleviation of blighting conditions for which the Redevelopment Plan was adopted; and
- WHEREAS, the City of Henderson Redevelopment Advisory Commission and the Agency held public workshops at which the public was invited to comment on the amendments to the Plan including the expansion of the Agency's eminent domain authority to include only abandoned or dilapidated low-density single family residential zoned properties in the Project Area as shown on the official City of Henderson zoning map; and
- WHEREAS, pursuant to Section 279.608 of the Community Redevelopment Law, the Agency held a properly noticed public hearing on December 2, 2003 to discuss the amendments to the Redevelopment Plan and at which meeting the Agency recommended the City Council adopt the amendments to the Redevelopment Plan; and
- WHEREAS, the City Council has reviewed the recommendations of the Agency and all evidence and testimony for or against the amendments and finds that the adoption of the amendments shall improve the administration and implementation of the Redevelopment Plan, without amending the boundaries of the redevelopment area, to better accomplish the Redevelopment Plan's purposes and goals of removal and alleviation of blighting conditions in the redevelopment area; and
- WHEREAS, At least ten days before the adoption of this Ordinance, notice of the filing of the Ordinance with the City Clerk was published once in a newspaper qualified pursuant to the provisions of Chapter 238 of Nevada Revised Statutes and published in the City. The date of adoption of this Ordinance is within thirty days after the date of such publication.

NOW THEREFORE, the City Council of the City of Henderson does hereby ordain as follows:

- SECTION 1. The Henderson Redevelopment Plan is hereby amended to be replaced in its entirety by the Downtown Redevelopment Plan attached as Exhibit A-1, including all exhibits contained therein.
- SECTION 2. The City Clerk shall attest to the passage of this Ordinance. Within 5 days after adoption of this Ordinance, the City Clerk shall cause this Ordinance to be published once by title, together with the names of the Council members voting for or against passage, in a newspaper qualified pursuant to the provisions of Chapter 238 of Nevada Revised Statutes and published in the City. This Ordinance shall be in full force and effect immediately upon such publication.

The above and foregoing Ordinance was first proposed and read in title to the City Council on January 6, 2004, which was a Regular Meeting, and referred to a Committee of the following Councilmen:

“COUNCIL AS A WHOLE”

Thereafter on January 20, 2004, said Committee reported favorably on the Ordinance and forwarded it to the Regular Meeting with a do-pass recommendation. At the Regular Meeting of the Henderson City Council held January 20, 2004, the Ordinance was read in title and adopted by the following roll call vote:

Those voting aye: Steven D. Kirk, Mayor Pro Tem
Councilmembers:
Amanda Cyphers
Jack Clark
Arthur “Andy” Hafen

Those voting nay: None
Those abstaining: None
Those absent: James B. Gibson, Mayor

Steven D. Kirk, Mayor Pro Tem

ATTEST:

Monica M. Simmons, CMC, City Clerk

CITY OF HENDERSON REDEVELOPMENT AGENCY
REDEVELOPMENT PLAN
FOR THE DOWNTOWN REDEVELOPMENT AREA

Adopted by Ordinance No. 1618 on October 4, 1995
Amended by Ordinance No. 2243 on January 5, 2004

Prepared by the
REDEVELOPMENT AGENCY OF THE CITY OF HENDERSON

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I. [Section 100] INTRODUCTION

This document is the Redevelopment Plan (formerly known as the Henderson Redevelopment Plan) ("Plan") for the Downtown Redevelopment Area which is located within the territorial jurisdiction of the City of Henderson ("City"), State of Nevada. The Plan consists of text (Sections 100 through 1200), and the Exhibits attached hereto, including the maps and the legal description depicting the Downtown Redevelopment Area as such Area is defined in Section 200 of this Plan.

The Plan amends and restates the terms and conditions of the Henderson Redevelopment Plan adopted by the City Council pursuant to Ordinance No. 1618 on October 4, 1995 which was prepared pursuant to Nevada Revised Statutes 279.382 through 279.685 ("Community Redevelopment Law") of the State of Nevada, which provides for the exercise of redevelopment authority by a redevelopment agency. Any conflict between the Henderson Redevelopment Plan and the terms of this amended and restated Plan shall be read in favor of this Plan.

Implementation of the Plan by the City and the Redevelopment Agency ("Agency") is and will be governed by the provisions contained in this Plan and any implementation agreement(s) entered into in accordance with Section 1100 of this Plan.

The definitions of general terms contained in the Community Redevelopment Law govern the interpretation of this Plan, unless more specific terms and definitions are otherwise provided in this Plan. All statutory references shall be to the Community Redevelopment Law unless otherwise designated.

Many of the requirements contained in this Plan are necessitated by and are in accord with statutory provisions in effect at the time of adoption of this Plan and 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 Downtown 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 superceded by such changes, to the extent necessary to be in conformity with such changes.

The Downtown Redevelopment Area includes all properties within the boundaries shown on the Redevelopment Map and the Downtown Redevelopment Area Legal Description both of which are attached and incorporated into this Plan as Exhibits A and B respectively.

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The proposed redevelopment of the Downtown Redevelopment Area as described in this Plan conforms to the City's Comprehensive Plan as applicable and as applied in accord with local codes and ordinances.

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 Downtown Redevelopment Area. In carrying out the provisions of this Plan, it is intended that the Agency will refer to the elements contained in that specific proposal for the redevelopment, rehabilitation, and revitalization of the Downtown Core Area known as the Downtown Investment Strategy, as that Strategy may be amended from time to time. The Agency shall also refer to any drawings, depictions or descriptions adopted by the City, known collectively as the Downtown Design Standards, as such Standards may be amended from time to time thereafter. The Downtown Investment Strategy and the Downtown Design Standards serve as planning tools for the redevelopment activities to be conducted by the Agency in the Downtown Core Area but do not operate to provide final approval for any of the uses, conditions, projects or plans contained therein.

This Plan presents a process and a basic framework within which specific development plans will be presented, priorities for specific projects will be established, and specific solutions will be proposed, and by which tools are provided to the Agency to fashion, develop, and proceed with such specific plans, projects, and solutions. In general, the goals and objectives of the redevelopment program in the Downtown Redevelopment Area are as follows:

1. The elimination and prevention of the spread of blight and deterioration and the conservation, rehabilitation and redevelopment of the Downtown Redevelopment Area in accord with the Comprehensive Plan, this Plan and local codes and ordinances.
2. The achievement of an environment reflecting a high level of concern for architectural, landscape, and urban design and land use principles appropriate for attainment of this Plan.
3. The control of unplanned growth by guiding revitalization activities and new development in such fashion as to meet the needs of the Downtown Redevelopment Area, the City and its citizens.
4. The encouragement of investment by the private sector in the development and redevelopment of the Downtown Redevelopment Area by eliminating impediments to such development and redevelopment.

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5. The encouragement of maximum participation of residents, business persons, property owners, and community organizations in the redevelopment of the Downtown Redevelopment Area.
6. The replanning, redesigning and redeveloping of areas which are stagnant or improperly used.
7. The revitalization of the Downtown Core Area to the extent permitted by Community Redevelopment Law and through the phased implementation of the Downtown Investment Strategy in organizational and project strategies designed to enhance the physical environment, support and expand commercial activity, upgrade the housing stock and pursue future development opportunities.

Redevelopment of the Downtown Redevelopment Area pursuant to this Plan and the above goals and objectives will attain the purposes of the Community Redevelopment Law by: (1) the elimination of areas suffering from economic dislocation and disuse; (2) the replanning, redesign and redevelopment of areas which are stagnant or improperly utilized, which could not be accomplished by private enterprise acting alone without public participation and assistance; (3) the protection and promotion of sound development and redevelopment of blighted areas and the general welfare of the citizens of the City by remedying such injurious conditions through the employment of appropriate means; (4) the installation of new, or replacement of existing, public improvements, facilities and utilities in areas which are currently inadequately served with regard to such improvements, facilities and utilities; and (5) other means as may be determined appropriate.

II. [Section 200] GENERAL DEFINITIONS

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

- A. "Agency" means the Redevelopment Agency of the City of Henderson, Nevada.
- B. "City" means the City of Henderson, Nevada.
- C. "City Council" means the City Council of the City of Henderson.
- D. "Clark County" means Clark County, Nevada.
- E. "Community Redevelopment Law" means the Community Redevelopment Law of the State of Nevada (Nevada Revised Statutes 279.382 to 279.685).

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- F. “Downtown Core Area” means that area roughly bounded by Boulder Highway, Major Avenue, Basic Road, and Lake Mead Drive and including the property encompassing St. Rose Dominican Hospital.
- G. “Downtown Design Standards” means any drawings, depictions and descriptions adopted by the City for the Downtown Core Area.
- H. “Downtown Investment Strategy” means that proposal for the redevelopment, rehabilitation, and revitalization of the Downtown Core Area adopted by the Agency in February, 2002 and any amendments thereto.
- I. “Downtown Redevelopment Area” means the area included within the territorial jurisdiction of the City as established by this Plan and as depicted and described in Exhibits A and B.
- J. “Plan” means this Redevelopment Plan for the Downtown Redevelopment Area.
- K. “State” means the State of Nevada.

III. [SECTION 300] REDEVELOPMENT AREA BOUNDARY AND LEGAL DESCRIPTION

The boundaries of the Downtown Redevelopment Area are shown on the Downtown Redevelopment Area Map attached as Exhibit A and are described in the Downtown Redevelopment Area Legal Description attached as Exhibit B. This Plan establishes the Downtown Redevelopment Area.

IV. [Section 400] PROPOSED REDEVELOPMENT ACTIVITIES

A. [Section 401] General

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

- 1. Providing for participation in the redevelopment process by owners of properties located in the Downtown 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 control of the Agency;

4. Relocation assistance to persons and businesses displaced by Agency action as required by law;
5. Demolition or removal of structures and improvements on land owned by the Agency and development of such land as building sites;
6. Funding the installation, construction, expansion, addition, replacement or reconstruction of streets, utilities, and other public facilities and improvements and constructing such improvements as authorized by law;
7. Disposition of Agency property for uses in accordance with this Plan;
8. Redevelopment of land by private enterprise and public agencies for uses in accordance with this Plan;
9. Rehabilitation of structures and improvements;
10. Rehabilitation, development or construction of low income housing within the Downtown Redevelopment Area and the City;
11. Provision for the retention of controls and establishment of restrictions or covenants running with the land on property sold or leased by the Agency so that property will continue to be used in accordance with this Plan; and

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 now or hereafter permitted or provided for by law, which powers are not expressly limited by this Plan.

B. [Section 402] Owner Participation Opportunities

1. [Section 403] Owner Participation

Owners of real property within the Downtown Redevelopment Area shall be extended reasonable opportunities to participate in the redevelopment of property in the Downtown Redevelopment Area if such owners agree to participate in such redevelopment in conformity with this Plan and the owner participation rules adopted by the Agency. Owners do not, however, have an absolute right to retain ownership of their property in the Downtown Redevelopment Area.

In appropriate circumstances where such action would foster the goals and objectives contemplated by this Plan, an owner may participate in substantially the same location either by retaining all or portions of his or her property or

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retaining all or portions of such property and acquiring additional property or initiating new development.

A proposal to redevelop property may seek assistance from the Agency for redeveloping the property. The Agency may provide assistance in the redevelopment of property to an owner if the owner agrees to participate in the redevelopment of the property in conformity with this Plan.

Where a property includes a building in good condition, but with an existing use that does not conform to the provisions of this Plan, the Agency may elect not to acquire such property provided that such use is generally compatible with the permitted uses in the area in which the building is located. In order to remain in the Downtown Redevelopment Area with a nonconforming use, the owner must agree to the imposition of such reasonable restrictions as are necessary to protect the integrity of permitted uses in the remainder of the Downtown Redevelopment Area.

The final decision concerning acquisition of real property by the Agency, if any, will be based upon the conditions existing at the time the Agency purchases property or enters into participation agreements.

Participation opportunities shall necessarily be subject to and limited by factors including but not limited to the following: 1) the elimination or modification of land uses; 2) the construction, vacation, realignment or alteration of streets; 3) the ability of participants to finance and complete proposed developments and rehabilitations; 4) the capability and experience of the participant to implement the proposed development; 5) the proposed land uses for redevelopment of the Downtown Redevelopment Area; 6) intensification of certain land uses; and 7) the construction or expansion of public facilities.

2. [Section 404] Participation Agreements

The Agency may, but is not obligated to, require that, as a condition of retaining ownership of property and participating in redevelopment, each participant shall enter into a binding written participation agreement with the Agency by which the 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 sign and join in the recordation of such documents as required by law necessary to make the provisions of this Plan and such participation agreement applicable to their properties. The rights of a participant under an approved participation agreement may or may not, at the Agency's option, be transferable upon sale or other disposition of the property.

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If an owner fails to participate in the redevelopment under a participation 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. 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 Downtown Redevelopment Area.

3. [Section 405] Implementing Rules

The provisions of Sections 402 through 404 shall be implemented according to the rules adopted by the Agency prior to the adoption of this Plan, 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.

C. [Section 406] Property Acquisition**1. [Section 407] Acquisition of Real Property**

The Agency may acquire, but is not required to acquire, any real property located in the Downtown Redevelopment Area by purchase, lease, option, gift, grant, bequest, devise, or eminent domain as authorized by law.

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; (b) The Agency has adopted a resolution of necessity that complies with the requirements of the Community Redevelopment Law Section 279.471 subsection 2; and (c) The Agency has made every reasonable effort to negotiate the purchase of the property. However, in low-density, single family residential zoned areas as shown on the official City of Henderson zoning map, the power of eminent domain shall be limited to abandoned or dilapidated properties.

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.

Without the consent of the owner, the Agency shall not acquire property retained by an owner participant pursuant to a participation agreement if the owner fully performs under the agreement. The Agency shall not, without the consent of an owner, acquire real property on which an existing building is to be continued on its present site and in its present form and use unless such 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 and the owner fails

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it is necessary to impose upon such property any of the standards, restrictions and controls of this Plan and the owner fails or refuses to participate in the Plan by executing or fulfilling the obligations of a participation agreement.

2. [Section 408] 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 Downtown Redevelopment Area by any lawful means. The Agency may also acquire by gift, purchase, lease or eminent domain any personal property in connection with real property acquired by the Agency.

D. [Section 409] Property Management

The Agency is authorized to manage and control all real property owned, acquired or leased by it. Such property may be rented or leased by the Agency pending its disposition for redevelopment and such rental or lease shall be pursuant to such policies as the Agency may adopt.

E. [Section 410] Relocation of Persons, Business Concerns And Others Displaced By The Project**1. [Section 411] Assistance in Finding Other Locations**

The Agency shall assist all persons, business concerns, and others displaced by Agency action in the Downtown Redevelopment Area in finding other locations and facilities as may be required by law including, but not limited to, Community Redevelopment Law and Chapter 342 of the Nevada Revised Statutes. In order to carry out this Plan with a minimum of hardship to persons, business concerns, and others, if any, displaced from their respective places of residence or business, 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 which are otherwise suitable to their respective needs, as may be required by law.

2. [Section 412] Relocation Benefits

The Agency shall provide relocation assistance to persons, business concerns, and others displaced by Agency action in the Downtown Redevelopment Area and shall make relocation payments as may be required by law. Such relocation payments shall be made pursuant to Chapter 342 of Nevada Revised Statutes and the rules adopted by the Agency pursuant thereto and as such rules may be amended from time to time.

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The Agency shall provide assistance for relocation and shall make all of the payments required by Nevada Revised Statutes Chapter 342 and the regulations adopted by the Director of the Department of Transportation pursuant thereto for programs or projects for which federal financial assistance is received to pay all or any part of the cost of that program or project.

F. [Section 413] Payments to Taxing Agencies In Lieu of Taxes

The Agency may in any year during which it owns property in the Downtown Redevelopment Area pay directly to the City, Clark County, or other district, including, but not limited to, a school district or other public corporation for whose benefit a tax would have been levied upon the Agency-owned property had it not been exempt, an amount of money in lieu of taxes.

G. [Section 414] Demolition, Clearance, Public Improvements, Building and Site Preparation**1. [Section 415] Demolition and Clearance**

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

2. [Section 416] Public Improvements

The Agency may fund all or part of the cost of the public improvements, facilities and utilities (within or outside the Downtown Redevelopment Area) necessary to carry out this Plan, and as may be authorized by law and this Plan. Such public improvements, facilities and utilities include, but are not limited to, the following: (1) over- and under-passes; (2) sewers; (3) storm drains; (4) electrical, natural gas, telephone and water distribution systems; (5) parks and plazas; (6) playgrounds; (7) parking and transportation facilities; (8) landscaped areas; (9) street and circulation improvements; (10) flood control improvements and facilities; and (11) other public facilities serving the needs of Downtown Redevelopment Area occupants or benefiting the Downtown Redevelopment Area or carrying out the purposes of this Plan.

3. [Section 417] Preparation of Building Sites

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

H. [Section 418] Property Disposition and Development**1. [Section 419] Real Property Disposition and Development**

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 lease or sale 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 Clark County.

A lease or sale by the Agency of real property acquired by it in the Downtown Redevelopment Area shall be conditioned on the redevelopment and use of the property in conformity with this Plan.

Except as otherwise provided in Section 279.486 of the Community Redevelopment Law, all real property acquired by the Agency in the Downtown Redevelopment Area shall be sold or leased, except property conveyed by it to the community. Any 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 City, and, where beneficial to the Downtown Redevelopment Area, to any other public body without charge or for an amount at less than fair market value.

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, including without limitation the provisions of an employment plan or a contract approved for a redevelopment project.

The Agency may, as it determines to be appropriate, require that a proposal for a redevelopment project include an employment plan which includes:

- (a) A description of the existing opportunities for employment within the Downtown Redevelopment Area;
- (b) A projection of the effect that the redevelopment project will have on opportunities for employment within the Downtown Redevelopment Area; and
- (c) A description of the manner in which an employer relocating his business into the Downtown Redevelopment Area plans to employ persons living within the area of operation who are:

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- (1) Economically disadvantaged;
- (2) Physically handicapped;
- (3) Members of racial minorities;
- (4) Veterans; or
- (5) Women.

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

[Section 420] Disposition and Development Documents

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.

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 and development agreements, shall be made subject to the provisions of this Plan and other conditions imposed by the Agency by leases, deeds, contracts, and agreements. The Agency may provide in an agreement to sell real property that the obligations of the purchaser are covenants and conditions running with the land, the breach of which will cause the fee title to revert to the Agency. Where appropriate, as determined by the Agency, such documents or portions thereof shall be recorded in the Office of the Recorder of Clark County.

[Section 421] 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 or without the Downtown 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 Downtown Redevelopment Area or the immediate neighborhood in which the Downtown Redevelopment Area is located; and

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(2) No other reasonable means of financing those buildings, facilities, structures or other improvements are available.

Those determinations by the Agency and the legislative body are final and conclusive.

If the value of the land or the cost of the construction of the 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 Community Redevelopment Law Section 279.676, or out of any other available money.

[Section 422] Development Plans

All development plans (whether public or private) shall be processed in the manner provided by applicable City codes. All development in the Downtown Redevelopment Area must conform to City design review procedures and the Downtown Design Standards, which may include Agency comment on the proposal's conformity with the Redevelopment Plan.

2. [Section 423] 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.

I. [Section 424] 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

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undertake, to be furnished adjacent to or in connection with redevelopment projects.

3. Furnish, dedicate, close, pave, install, grade, re-grade, plan or re-plan 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 ordinances.
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 the Community Redevelopment Law. 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 holder 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 Downtown Redevelopment Area.

V. [Section 500] LAND USES AND DEVELOPMENT REQUIREMENTS

A. [Section 501] Downtown Redevelopment Area Map and Major Downtown Redevelopment Area Land Uses

The Downtown Redevelopment Area map attached hereto as Exhibit A illustrates the location of the Downtown Redevelopment Area boundary and identifies the major streets within the Downtown Redevelopment Area. The land uses authorized within the Downtown Redevelopment Area are those designated by the City's current Comprehensive Plan. The City will from time to time update and revise its Comprehensive Plan. It is the intention of this Plan that the land uses permitted within the Downtown Redevelopment Area shall be as provided within the City's Comprehensive Plan as it currently exists or as it may from time to time be amended, and as implemented and applied by City ordinances, resolutions and other laws. The major land uses authorized within the Downtown Redevelopment Area by the Comprehensive Plan are described below. Other uses may be authorized from time to time by Comprehensive Plan amendments.

B. [Section 502] Major Land Uses

Major land uses currently permitted within the Downtown Redevelopment Area include:

Residential
Commercial
Light Industry/Business Park
Community and Neighborhood Shopping
Public/Semipublic
Park/Open Space

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

C. [Section 503] Other Land Uses

1. [Section 504] Public Rights-of-Way and Streets

Major public streets currently within the Downtown Redevelopment Area are generally described as follows:

Boulder Highway;
Lake Mead Drive;
Van Wagenen;
Water Street; and
Pacific Avenue

The layout of streets in the Downtown Redevelopment Area as they now exist are shown in the Downtown Redevelopment Area map attached as Exhibit A to this Plan. Additional public streets, alleys and easements may be created in the Downtown Redevelopment Area as needed for proper use or development. Existing streets and alleys may be abandoned, closed or modified as necessary for proper use or development. It is anticipated that development may entail vacation or realignment of certain streets, alleys, and other rights-of-way.

Any changes in the existing street layout shall be in accord with the Comprehensive Plan, as appropriate, the objectives of this Plan, the City's design standards, and the Downtown Design Standards as applicable; and shall be effectuated in the manner prescribed by state and local law, and shall be guided by the following criteria:

- A balance of the needs of proposed and potential new developments for adequate pedestrian and vehicular access, vehicular parking, and delivery loading docks with similar needs of existing developments proposed or potentially proposed to remain. Such balancing shall take into consideration the rights of existing owners under the participation rules adopted by the Agency for the Downtown Redevelopment Area, and any participation agreements executed thereunder;
- The requirements imposed by such factors as topography, traffic safety and aesthetics;
- The potential need to serve not only the Downtown Redevelopment Area and new or existing developments, but to also serve areas outside the Downtown Redevelopment Area by providing convenient, efficient vehicular access and movement; and
- The potential need or desire to accommodate the facilities and/or equipment of mass transportation modes.

The public rights-of-way may be used for vehicular and pedestrian traffic, as well as for public improvements, public and private utilities, and activities typically found in public rights-of-way. In addition, all necessary easements for public uses, public facilities, and public utilities may be retained, amended or created.

2. [Section 505] Other Public, Semi-Public, Institutional and Non-Profit Uses

The Downtown Redevelopment Area may include public, semi-public, institutional, or non-profit uses, including park and recreational facilities, libraries, educational, fraternal, employee, philanthropic, religious and charitable institutions, utilities, railroad rights-of-way, 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 Comprehensive Plan. Property to be used for public purposes in the Downtown Redevelopment Area is also designated and described in the Comprehensive Plan as it now exists or may be amended from time to time.

D. [Section 506] Conforming Properties

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The Agency may enter into an agreement with the owner of any real property that so provides that an existing building on such property is to be continued on its present site and in its present form and use. If 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 fails to redevelop the property or otherwise carryout the provisions of such agreement.

E. [Section 507] 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 Downtown Redevelopment Area for interim uses not in conformity with the uses permitted in this Plan. Such interim use shall conform to all applicable City codes.

F. [Section 508] Non-Conforming Uses

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 Downtown Redevelopment Area, and abatement of such uses is not required by applicable City codes. The owner of such property may be required to enter into a participation agreement, to record a covenant of restrictions against the property, and agree to the imposition of such reasonable restrictions as may be necessary to protect the development and uses in the Downtown Redevelopment Area.

The Agency may authorize additions, alterations, repairs or other improvements in the Downtown Redevelopment Area for uses which do not conform to the provisions of this Plan where such improvements are within a portion of the Downtown Redevelopment Area where, in the determination of the Agency, such improvements would be compatible with surrounding Downtown Redevelopment Area uses and development and are permitted under applicable City codes.

G. [Section 509] General Controls and Limitations

All real property in the Downtown 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 effective date of the ordinance adopting this Plan, except in conformance with the provisions of this Plan.

1. [Section 510] Construction

All construction in the Downtown Redevelopment Area shall comply with all applicable state and local laws in effect from time to time.

2. [Section 511] Limitation on the Number of Buildings

The number of buildings in the Downtown Redevelopment Area shall not exceed the number of buildings permitted under the Comprehensive Plan.

3. [Section 512] Number of Dwelling Units

The number of dwelling units in the Downtown Redevelopment Area shall not exceed the maximum number allowed under the densities permitted under the Comprehensive Plan as implemented and applied by local codes and ordinances.

4. [Section 513] Limitations on Type, Size and Height of Buildings

Except as set forth in other sections of this Plan, the type, size, and height of buildings shall be as limited by the applicable federal, state and local statutes, ordinances and the Downtown Design Standards.

5. [Section 514] Open Spaces, Landscaping, Light, Air and Privacy

The approximate amount of open space to be provided in the Downtown Redevelopment Area is the total of all area which will be in public rights-of-way, public grounds, spaces around buildings, and all other outdoor areas not permitted to be covered by buildings. Landscaping shall be developed in the Downtown Redevelopment Area to ensure optimum use of living plant material.

Park and open space in the Downtown Redevelopment Area is also designated in the Comprehensive Plan as it now exists or may be amended from time to time. In all areas, sufficient space shall be maintained between buildings to provide adequate light, air and privacy.

6. [Section 515] Signs

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All signs shall conform to the Downtown Design Standards and designs for all proposed new signs shall be submitted prior to installation to the Agency for review and approval in conformance with the Downtown Design Standards.

7. [Section 516] Utilities

Utilities shall be placed underground.

8. [Section 517] Incompatible Uses

No use or structure which 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 Downtown Redevelopment Area.

9. [Section 518] Subdivision of Parcels

No parcels in the Downtown Redevelopment Area, including any parcel retained by a participant, shall be consolidated, subdivided or re-subdivided without the approval of the appropriate public body.

10. [Section 519] Minor Variations

If authorized by ordinance, the Agency may grant minor deviations from the land use requirements established within a zoning district without a hearing. In so doing, the Agency must comply with the provisions of said ordinance as they pertain to Nevada Revised Statutes Section 278.319. An applicant for a minor deviation must obtain the written consent of the owner of any real property that would be affected by the deviation. The Agency shall ensure that the deviation will not impair the purpose of this Plan, the zoning district, or any applicable zoning regulations. The applicant or other aggrieved person may appeal the Agency's decision to the governing body.

H. [Section 520] Building Permits

No permit shall be issued for the construction of any new building or any addition, moving, conversion or alteration to an existing building in the Downtown Redevelopment Area from the effective date of the ordinance adopting this Plan until the application for such permit has been processed in the manner provided herein. Any permit that is issued hereunder must be in conformance with the provisions of this Plan.

The City 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.

I. [Section 521] Non-Discrimination and Non-Segregation

There shall be no discrimination or segregation based on race, color, sex, marital status, age, creed, religion, national origin or ancestry permitted in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of property owned or acquired by the Agency.

VI. [SECTION 600] METHOD OF FINANCING THE REDEVELOPMENT PLAN

A. [Section 601] General Description of the Proposed Financing Method

The Agency is authorized to finance activities in the Downtown Redevelopment Area and carry out this Plan 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 Clark County, the City, the State, the federal government, or any other available source, public or private. 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 indebtedness may be paid from tax increment or any other funds available to the Agency. The Agency is authorized to receive and expend advances and loans for survey and planning by Clark County, the City 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 City and Clark County, as they are able and authorized, may also supply additional assistance through issuance of bonds, loans and grants, and in-kind assistance. To finance activities in the Downtown Redevelopment Area or to carry out this Plan, the Agency may use all monies received from any source as permitted by law.

Tax increment financing, as authorized by Section 602 of this Plan, is intended as a source of financing in combination with other sources of financing that may be available for specific activities in the Downtown Redevelopment Area.

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 Proposed Method of Financing the Redevelopment Plan which is incorporated herein by this reference and is also attached hereto as Exhibit C. The analysis provides sufficient detail to determine the economic feasibility of this Plan.

B. [Section 602] Tax Increment Funds

All taxes levied upon taxable property within the Downtown Redevelopment Area each year, by or for the benefit of the State, Clark County, the City, or any other district or public corporation (hereinafter sometimes called "taxing agencies") after the effective date of the ordinance approving this Plan, shall be divided as follows:

1. That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in the Downtown Redevelopment Area as shown upon the assessment roll used in connection with the taxation of the property by the taxing agency, last equalized before the effective date of the ordinance, must be allocated to and when collected must be paid into the funds of the respective taxing agencies as taxes by or for such taxing agencies on all other property are paid. To allocate taxes levied by or for any taxing agency or agencies which did not include the territory in the Downtown Redevelopment Area on the effective date of the ordinance, but to which the territory has been annexed or otherwise included after the effective date, the assessment roll of Clark County last equalized on the effective date of the ordinance, must be used in determining the assessed valuation of the taxable property in the Downtown Redevelopment Area on the effective date. If property which was shown on the assessment roll used to determine the amount of taxes allocated to the taxing agencies is transferred to the State and becomes exempt from taxation, the assessed valuation of the exempt property as shown on that assessment roll must be subtracted from the assessed valuation used to determine the amount of revenue allocated to the taxing agencies.

2. Except as otherwise provided in paragraphs 3 and 4 below and Nevada Revised Statutes Section 540A.265, that portion of the levied taxes each year in excess of the amount set forth in paragraph 1 above must be allocated to and when collected must be paid into a special fund of the Agency to pay the costs of redevelopment and to pay the principal of and interest on loans, money advanced to, or indebtedness, whether funded, refunded, assumed, or otherwise, incurred by the Agency to finance or refinance, in whole or in part, redevelopment. Unless the total assessed valuation of the taxable property in the Downtown Redevelopment Area exceeds the total assessed value of the taxable property in the Downtown Redevelopment Area as shown by the last equalized assessment roll referred to in paragraph 1 above, all of the taxes levied and collected upon the taxable property in the Downtown Redevelopment Area must be paid into the funds of the respective taxing agencies. When this Plan is terminated pursuant to the provisions of Section 900 and all loans, advances and indebtedness, if any,

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and interest thereon, have been paid, all money thereafter received from taxes upon the taxable property in the Downtown Redevelopment Area must be paid into the funds of the respective taxing agencies as taxes on all other property are paid.

3. That portion of the taxes in excess of the amount set forth in paragraph 1 above that is attributable to a tax rate levied by a taxing agency to produce revenues in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness that was approved by the voters of the taxing agency on or after November 5, 1996, must be allocated to and when collected must be paid into the debt service fund of that taxing agency.
4. That portion of the taxes in excess of the amount set forth in paragraph 1 above that is attributable to a new or increased tax rate levied by a taxing agency and was approved by the voters of the taxing agency on or after November 5, 1996, must be allocated to and when collected must be paid into the appropriate fund of the taxing agency.

In any fiscal year, the total revenue paid to the Agency must not exceed an amount equal to the combined tax rates of the taxing agencies for that fiscal year multiplied by ten percent of the total assessed valuation of the City.

If the revenue paid to the Agency must be limited pursuant to the immediately above paragraph and the Agency has more than one redevelopment area, the Agency shall determine the allocation to each redevelopment area. Any revenue which would be allocated to the Agency but for the provisions of this paragraph must be paid into the funds of the respective taxing agencies.

For the purposes of this Section, the assessment roll last equalized before the effective date of the ordinance approving this Plan is the assessment roll in existence on March 15th immediately preceding the effective date of the ordinance.

This Section 602 shall be construed to fully implement the provisions of Community Redevelopment Law Section 279.676.

C. [Section 603] Agency Bonds

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 Downtown Redevelopment Area.

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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.

Unless the full faith and credit of a community is pledged, the bonds and other obligations of the Agency are not a debt of the City, the State or any of its political subdivisions and neither the City, the State nor any of its political subdivisions is liable on them, nor in any event shall the bonds or obligations be payable out of any funds or properties other than those of the Agency; and such bonds and other obligations shall so state on their face. Unless the full faith and credit of a community is pledged, the bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

D. [Section 604] Time Limit on Issuing Securities or Establishing of Indebtedness

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, this Plan beyond 20 years after the date on which this Plan is adopted. The Agency may, as an exception, enter into leases or incur indebtedness at any time before the termination of this Plan if the leases are terminated and the indebtedness is fully repaid no later than the termination of the Plan. The maturity date of any securities which are refunded must not extend beyond the date of termination of the Plan.

Any securities issued by or on behalf of the Agency to finance, in whole or in part, redevelopment pursuant to the Community Redevelopment Law Sections 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 this Plan.

E. [Section 605] Other Loans and Grants

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

VII. [SECTION 700] ACTIONS BY THE CITY

The City 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 City 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 Downtown Redevelopment Area. Such action by the City 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 Downtown Redevelopment Area;
3. Revision or adoption of the City zoning ordinance(s), specific plan(s), or the Comprehensive Plan as appropriate within the Downtown 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 Downtown 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 City, 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 Downtown Redevelopment Area to be commenced and carried to completion without unnecessary delays;
8. Provisions of services and facilities and the various officials, offices and departments of the City for the Agency's purposes under this Plan;
9. Provision of financial assistance in accordance with Section 600 of this Plan or as authorized by law; and

10. The undertaking and completing of any other proceedings necessary to carry out activities in the Downtown Redevelopment Area.

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

VIII. [SECTION 800] ENFORCEMENT

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 City.

Without limitation on the powers conferred on the City 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 court litigation instituted by either the Agency or the City. 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 Downtown Redevelopment Area may be enforced by such owners.

IX. [Section 900] DURATION OF THIS PLAN

The Plan was adopted October 4, 1995 and 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 30 years after such date. This Plan and any amendments shall terminate 30 years after the date on which this Plan is adopted.

X. [Section 1000] PROCEDURE FOR AMENDMENT

This Plan may be amended by means of the procedure established in the Community Redevelopment Law, or by any other procedure established by law.

XI. [Section 1100] IMPLEMENTATION AGREEMENT(S)

The Agency and the City may enter into any agreements 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.
















XII. [Section 1200] SEVERABILITY

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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 Downtown Redevelopment Area shall be determined to have been invalidly or incorrectly included in the Downtown Redevelopment Area that is the subject of this Plan, such portion of the Downtown Redevelopment Area shall be deemed severable from the remainder of the Downtown Redevelopment Area and the remainder of the Downtown Redevelopment Area shall remain fully subject to the provisions of this Plan.

652447-5

REDEVELOPMENT AREA

-  Low Density Residential
-  Medium Density Residential
-  High Density Residential
-  Highway Commercial
-  Community and Neighborhood Shopping
-  Highway Commercial /Downtown Commercial
-  Downtown Commercial
-  Tourist Commercial
-  Light Industry/Business Park
-  Public and Semi-Public
-  Park/Open Space
-  Limited Access Freeway
-  Controlled Access Arterial
-  Primary Arterial
-  Secondary Arterial

Approved by Council: October 4, 1995
 Revised: December 21, 1999
 Source: BRW, Inc.

For further information contact the
 Redevelopment Officer
 Henderson Community Development Department
 (702) 565-2474

Geographic Information Services
 Community Development Department
 March 2001

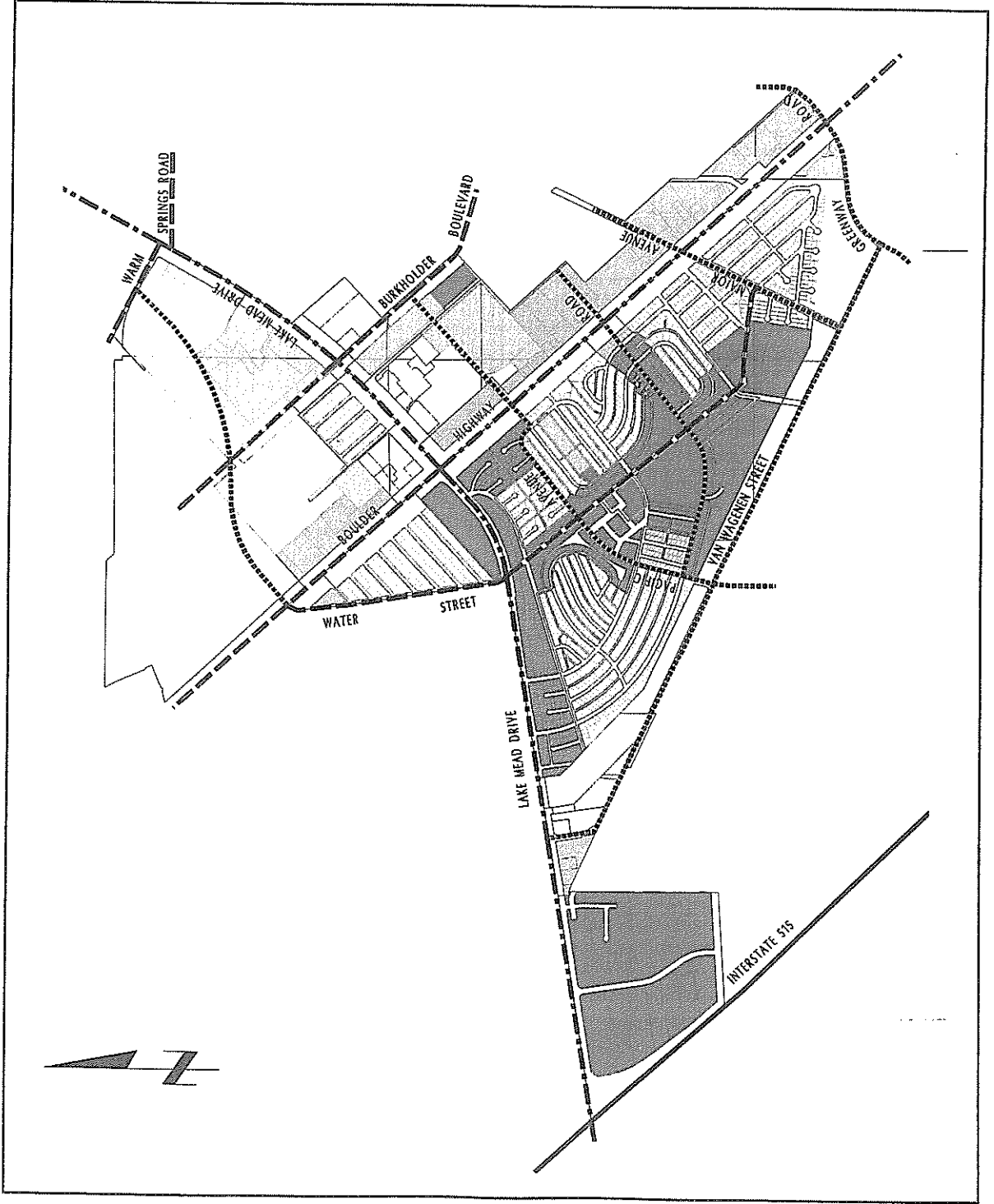


EXHIBIT B

DOWNTOWN REDEVELOPMENT AREA LEGAL DESCRIPTION

That portion of Section 13, Township 22 South, Range 62 East, M.D.M., Sections 7, 8 17, and 18, Township 22, South, Range 63 East M.D.M., in the City of Henderson, County of Clark, State of Nevada, more particularly described as follows:

Commencing at the northeast corner of said Section 17 as shown on parcel map recorded in File 20 at page 42; thence along the north line of said Section 17, north 89° 48' 07" east 413.13 feet to a point on the northeasterly boundary of record of survey recorded in File 7 at Page 38, thence along said boundary south 42° 21' 32" east 40.90 feet to an intersection with the southerly prolongation of the southeasterly boundary of parcel map recorded in File 49 at Page 13, said intersection being the Point of Beginning. Thence continuing along said northeasterly boundary of record of survey File 7 Page 38 and its southeasterly prolongation, south 42° 21' 32" east 1,395.12 feet to the northwesterly right of way of Dondero Avenue (80.00 feet wide), thence along said right of way south 47° 38' 28" west 1,003.03 feet to the northwesterly corner of parcel map recorded in File 25 at Page 12; thence along the northeasterly boundary of said parcel map, also being the southwesterly right of way of Harris Street (60.00 feet wide); south 42° 23' 52" East 1,123.20 feet to the northeasterly corner of said parcel map; thence along the southeasterly boundary of said parcel map south 47° 36' 08" West 390.12 feet to the northeasterly boundary of parcel map recorded in File 40 at Page 26; thence along said northeasterly boundary and its southeasterly prolongation south 42° 23' 52" east 1,142.45 feet to a point on the northwesterly boundary of parcel map recorded in File 57 at Page 32; thence along said northwesterly boundary, also being the southeasterly right of way of Major Avenue (80.00 feet wide), north 25° 35' 24" east 306.63 feet to the most northerly corner of said parcel map; thence along the northeasterly boundary of said parcel map and its southeasterly prolongation south 42° 23' 52" east 865.06 feet to the easterly boundary of parcel map recorded in File 28 at Page 43; thence along said easterly boundary, also being the westerly right of way of Pioneer Street (80.00 feet wide), south 00°06'09" west 355.95 feet to an intersection with the northwesterly prolongation of the southwesterly boundary of parcel map recorded in File 76 at Page 77; thence along said prolongation and southwesterly boundary south 42°23'52" east 745.53 feet to the centerline of Lido Street (60.00 feet wide); thence along said centerline south 47°36'08" west 30.00 feet to an intersection with the northwesterly prolongation of the northeasterly boundary of parcel map recorded in File 26 at Page 63; thence along said prolongation and northeasterly boundary, also being the southwesterly right of way of Sausalito Drive (60.00 feet wide), south 42°23'52" east 1,207.66 feet to the beginning of a curve concave southwesterly, having a radius of 20.00 feet; thence southerly along the arc of said curve 31.42 feet, through a central angle of 90°00'00" to a point on the northwesterly right of way of Palo Verde Drive, as shown on said parcel map; thence along said right of way south 47°36'08" west 340.00 feet to the beginning of a curve concave northerly, having a radius of 25.00 feet; thence westerly along the arc of said curve 39.27 feet, through a central angle of 90°00'00" to a point on the northeasterly right of way of U.S. Highway

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93-95-466 (Boulder Highway) (290.00 feet wide from centerline); thence south $51^{\circ}22'59''$ west 491.07 feet to a point on the southwesterly right of way of said Highway 93-95-466 which lies at the intersection of the easterly prolongation of the northerly right of way of Greenway Road as shown on parcel map recorded in File 71 at Page 44, said intersection also being the beginning of a non-tangent 860.00 foot radius curve concave northwesterly, a radial line from said point bears north $29^{\circ}37'58''$ west; thence southwesterly along the arc of said curve and right of way 348.02 feet, through a central angle of $23^{\circ}11'09''$; thence south $83^{\circ}33'11''$ west 261.43 feet to the southwest corner of said parcel map; thence continuing along said right of way as shown on parcel map recorded in File 74 at Page 97 south $83^{\circ}33'11''$ west 251.12 feet to the beginning of a curve concave southeasterly, having a radius of 940.00 feet; thence southwesterly along the arc of said curve 938.26 feet, through a central angle of $57^{\circ}11'72''$; thence south $25^{\circ}35'44''$ west 52.76 feet to a point of cusp with the southwesterly right of way of Van Wagenen Street as shown on said parcel map, being the beginning of a non-tangent 25.00 foot radius curve concave southwesterly, a radial line from said point bears north $64^{\circ}24'19''$ west; thence northwesterly along the arc of said curve and southwesterly right of way, 39.37 feet through a central angle of $90^{\circ}13'46''$ to a point on said right of way which lies 50.00 feet southerly, measured at right angles from the centerline of said Van Wagenen Street; thence along said right of way north $64^{\circ}38'05''$ west 1,240.70 feet; thence north $25^{\circ}21'55''$ east 20.00 feet to a point on said right of way which lies 30.00 southerly, measured at right angles from the centerline of said right of way; thence continuing along said right of way and the southerly boundary of said parcel map north $64^{\circ}38'05''$ west 1,309.17 feet; thence continuing along said southerly boundary and right of way south $25^{\circ}21'55''$ west 25.00 feet; thence along and leaving said boundary, continuing along said right of way north $64^{\circ}38'05''$ west 4,934.08 feet to a point on the easterly line of Section 13 Township 22 South, Range 62 East which bears north $00^{\circ}14'00''$ east 1,276.95 feet from the southeast corner of said Section 13, as shown on said parcel map File 74 page 97; thence continuing along said right of way north $64^{\circ}38'05''$ east 904.70 feet to a point on the easterly boundary of Hillcrest Manor subdivision recorded in Book 4 at Page 38; thence along said boundary north $00^{\circ}21'30''$ east 15.52 feet to the southerly right of way of said Van Wagenen Street (formerly Watson Avenue as shown on said subdivision); thence along said right of way north $64^{\circ}52'52''$ west 2,003.74 feet to the westerly boundary of said subdivision also being the Union Pacific Railroad property as shown on said parcel map, south $87^{\circ}00'44''$ west 1,575.57 feet to the easterly right of way of U.S. 95 as shown on Nevada Department of Transportation right of way drawings, said point lies on the arc of a non-tangent 9,850.00 foot radius curve concave northeasterly, a radial line from said point bears north $47^{\circ}57'59''$ east; thence northwesterly along the arc of said curve and right of way 158.21 feet through a central angle of $00^{\circ}55'13''$; thence north $41^{\circ}06'48''$ west 391.47 feet; thence north $37^{\circ}16'26''$ west 771.87 feet to the beginning of a 1,400.00 foot radius curve concave easterly; thence northerly along the arc of said curve 768.07 feet, through a central angel of $31^{\circ}26'02''$ to the beginning of a compound 100.00 foot radius curve concave southeasterly; thence northeasterly along the arc of said curve 138.88 feet, through a central angle of $79^{\circ}34'26''$; thence north $08^{\circ}51'37''$ west 91.90 feet; to the centerline of Lake Mead Drive ("0" line of State Route

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546-State Highway 41) as shown on record of survey File 21 Page 18; thence along said centerline north $81^{\circ}08'23''$ east 7,238.15 feet to an intersection with the centerline of Water Street (100.00 feet wide) as shown on parcel map recorded in File 76 at Page 41 and per Henderson Townsite Annex No. 4 subdivision recorded in Book 3 at Page 41; thence along said centerline north $08^{\circ}51'37''$ west 2,937.59 feet to the southwesterly right of way of U.S. Highway 93-95-466 (Boulder Highway) (400.00 feet wide); thence along said right of way south $42^{\circ}23'52''$ east 219.94 feet; thence north $47^{\circ}36'08''$ east 400.00 feet to a point on the northeasterly right of way of said Boulder Highway, said point being the most westerly corner of record of survey for boundary line adjustment recorded in File 73 at Page 19; thence along the northwesterly boundary of said adjustment north $50^{\circ}16'51''$ east 500.07 feet to the most northerly corner of said boundary; thence along the northeasterly prolongation of the original boundary line shown on said record of survey north $47^{\circ}36'08''$ east 1,354.80 feet to the southerly line of a 200.00 foot wide Nevada Power Company easement as shown on record of survey recorded in File 9 at Page 46; thence along said line south $42^{\circ}24'50''$ east 425.97 feet to an intersection with the southwesterly prolongation of the northwesterly boundary of said record of survey; thence along said prolongation and boundary north $47^{\circ}34'40''$ east 1,929.08 feet to the southwesterly right of way of Ballerina Street (60.00 feet wide) as shown on record of survey recorded in File 18 Page 53; thence along the northeasterly prolongation of the northwesterly boundary of said record of survey in File 9 at Page 46, north $47^{\circ}34'40''$ east 615.07 feet to an intersection with the southerly right of way of Warm Springs Road (100.00 feet wide) as described in Grant Deed recorded April 20, 1983, in Book 1721 as Document No. 1680352, of Official Records in the Office of the County Recorder, said intersection being the beginning of a non-tangent 2,950.00 foot radius curve concave southwesterly, a radial line from said point bears south $18^{\circ}55'42''$ west; thence southeasterly along the arc of said curve and right of way 509.15 feet, through a central angle of $09^{\circ}53'20''$; thence south $61^{\circ}10'58''$ east 782.67 feet to the beginning of a 25.00 foot radius curve concave southwesterly; thence southerly along the arc of said curve 39.27 feet, through a central angle of $90^{\circ}00'00''$ to a point on the northwesterly right of way of Lake Mead Drive (400.00 feet wide) (State Highway No. 41); thence south $61^{\circ}10'52''$ east 400.00 feet to the southeasterly right of way of Lake Mead Drive; thence along said right of way south $28^{\circ}49'08''$ west 665.28 feet to the beginning of a curve concave northwesterly having a radius of 10,200.00 feet; thence southwesterly along the arc of said curve and right of way 1,541.78 feet through a central angle of $08^{\circ}39'38''$ to the most northerly corner of parcel map recorded in File 49 at Page 13; thence along the northeasterly boundary of said parcel map south $42^{\circ}21'32''$ east 810.04 feet to the most easterly corner of said parcel map; thence along the southeasterly boundary of said parcel map and the southwesterly prolongation thereof south $47^{\circ}38'28''$ west 991.22 feet to the Point of Beginning.

Contains 1,307 acres more or less.

REPORT ON PROPOSED METHOD OF FINANCING THE REDEVELOPMENT PLAN

EXHIBIT C

**Report on the Proposed Method of Financing the
Redevelopment Plan for the Downtown Redevelopment Area**

A. Introduction

This Report determines the economic feasibility of the Redevelopment Plan for the Downtown Redevelopment Area. It describes the potential redevelopment activities and proposed methods of financing of such activities. The redevelopment activities are designed to meet the objectives of Community Redevelopment Law as well as the goals of the Plan. This Report also estimates the total funding requirements, potential financial resources and methods of financing available to the Agency to complete the redevelopment activities. In addition, it examines tax increment revenues, and other revenue resources, and assesses the general economic feasibility of the Plan.

Analyzing the economic feasibility of the proposed Plan requires a comparison of the anticipated costs for implementation of the Plan with the anticipated revenues to be generated from the Downtown Redevelopment Area. Section 279.572(6) of the Community Redevelopment Law requires every redevelopment plan contain a description of the proposed method of financing the plan in sufficient detail so that the legislative body may determine the economic feasibility of the Plan. Similarly, Section 279.578(2)(c) requires every redevelopment plan submitted to the legislative body by the redevelopment agency to include an analysis of the proposed method of financing the plan in sufficient detail so that the legislative body may determine the economic feasibility of the plan.

Therefore, this Report shall operate as the Agency's report to the City Council on the proposed method of financing the Plan for the Downtown Redevelopment Area and shall be attached and incorporated into the Plan. The Agency has concluded that over the life of the Plan, tax increment revenues from the Downtown Redevelopment Area are anticipated to be sufficient to meet the anticipated costs to eliminate blight.

B. Estimated Total Redevelopment Costs

In order to determine the economic feasibility of the Plan, this Report analyzes the potential costs associated with redevelopment of the Downtown Redevelopment Area. Redevelopment will require significant participation from the Agency in activities to promote and achieve the goals and objectives of the Plan and to address blighting conditions.

These redevelopment activities will implement the Plan and may include such activities as a program to increase, improve or preserve low-income housing in the community, implementation of public improvements, and an infrastructure program for the Downtown Redevelopment Area. In addition to funding these proposed redevelopment activities, the Agency anticipates ongoing administrative operating expenses and the establishment of an affordable housing program to the extent such set-aside is required under the Community Redevelopment Law.

The redevelopment program described in this Report outlines a set of activities to be implemented by the Agency for the purpose of facilitating private reinvestment and eliminating blighting influences in the Downtown Redevelopment Area. The estimated costs (in nominal dollars) of the proposed redevelopment activities currently identified for the Downtown Redevelopment Area over the life of the Plan are listed in Table 1. This feasibility analysis assumes that the Agency may use, at its discretion, available tax increment revenues generated from the Downtown Redevelopment Area to fund activities to eliminate blighting conditions within the Downtown Redevelopment Area. Other revenues may also become available in the future.

Table 1

**Estimated Cost of Proposed Redevelopment Activities
 Downtown Redevelopment Area
 In Nominal Dollars**

Redevelopment Program	Net Cost to Agency
Public Improvements & Infrastructure	\$ 2,500,000
Public Facilities & Open Space	5,000,000
Economic Stimulus Programs	25,000,000
Real Estate Development	23,500,000
Administration Costs (Non-Housing)	14,000,000
Housing Programs	12,000,000
Total Costs	\$ 82,000,000

Notes:

These are preliminary planning level cost estimates and projects which are subject to ongoing refinement and revision based on more detailed studies. Other potential funding sources include, but are not limited to, the private sector and State and federal funds.

1. Public Improvements, Infrastructure, and Open Space

The Agency may utilize funds from net tax increment to assist with the provision of various public, open space and site improvements and infrastructure throughout the Downtown Redevelopment Area. On a preliminary basis, the Agency has identified improvements that may be financed by the Agency pursuant to the Plan to eliminate existing blighting conditions including those proposed projects outlined in the Downtown Investment Strategy. While the Agency is not committed to any of these proposed projects, they are aimed at removing blighting conditions and facilitating private investment in the Downtown Redevelopment Area. Such projects include, but are not limited to, construction of: right of way landscaping, open space furniture, pedestrian enhancements, monumentation, and signage.

2. Economic Stimulus Programs

Economic blight is evidenced in the Downtown Redevelopment Area by irregularly formed lots inadequately sized for development; the loss of population in the Downtown Core Area; a reduction in commercial retail businesses evidencing the lack of private sector investment; underutilized buildings and storefronts; obsolete or aged property in excess of 50 years now unable to service new business or development; overcrowding in the existing housing stock; inadequate open space and recreational facilities; and absentee landlords all creating a disproportionate economic burden on the community. The Agency will, where appropriate, consolidate properties and create various economic stimulus programs to create an attractive investment climate in the Downtown Redevelopment Area. In addition, programs will be implemented to retain existing business and encourage expansion while attracting new businesses to the Area.

3. Real Estate Development

The Agency may use monies to encourage the private sector to invest in the development and redevelopment of commercial, housing, and mixed use properties in the Downtown Redevelopment Area by eliminating impediments to such development and redevelopment. The

Redevelopment Plan Amendment – Downtown Redevelopment Area

Agency may provide financial assistance to the private sector to develop or redevelop underutilized and vacant real property owned by the Agency or the private sector.

4. Administrative Costs (Non-Housing)

The Agency's start up and ongoing administration of the Plan includes staff salaries as well as services and supplies necessary for the operation and oversight of the Downtown Redevelopment Area.

5. Housing Programs

The Agency is not currently required to set aside a portion of tax increment received for an affordable housing program. However, Section 279.685 of the Community Redevelopment Law requires the Agency to set-aside 18 percent of tax increment to increase, improve and preserve affordable housing once the City reaches a threshold population of 300,000. Current estimates indicate that the City's population will surpass 300,000 before December 31, 2011.

The affordable housing program will focus on increasing, improving and preserving the community's supply of affordable dwelling units. Such a program may provide financial assistance in the form of grants or loans to qualified households or encourage homeownership for first time homebuyers seeking affordable housing.

C. Financing Methods Available to the Agency

The Plan will provide the Agency with the necessary legal authority and flexibility to implement the revitalization of the Downtown Redevelopment Area. The Agency may finance the Downtown Redevelopment Area in accordance with provisions of the Community Redevelopment Law with financial assistance from any or all of the following sources: (1) the City; (2) the State; (3) the federal government; (4) tax increment funds; (5) public bonds; (6) interest income; (7) loans from private financial institutions or entities or persons; (8) lease or sale of Agency-owned property; (9) private donations; and (10) any other legally available public or private source.

The provisions of the Community Redevelopment Law provide authority to the Agency to obtain advances, borrow funds and create indebtedness in carrying out the intent of the plan. The Agency is authorized to use tax increment revenues or any other funds available to the Agency to repay the principal and interest on such outstanding advances, funds and indebtedness including bond debt, borrowed funds or advances and any other funds loaned to the Agency. Advances and loans for survey, planning and design and for operating capital for administration of the Downtown Redevelopment Area were provided by the City of Henderson in the form of two loans issued in 1998 and 1999 until adequate tax increment or other funds were available, or sufficiently assured, to repay the advances and loans and to permit loans of working capital from sources other than the city. The loans were paid off in full in June 2002 with a portion of the \$16,340,000 bonds issued. The City, as it is able, may also supply additional assistance through City loans and grants for various public facilities or other redevelopment costs.

Tax increment revenue generated by the increase in property values within the Downtown Redevelopment Area will be a primary source of financing the Plan. While other potential revenue sources may be available to fund a portion of the costs of the Plan, tax increment revenues are projected to be necessary to fill the projected funding required to redevelop the Downtown Redevelopment Area. Based on the assumptions outlined in this Report, the tax increment revenues generated over the life of the Plan are projected to be sufficient to meet the costs of proposed redevelopment activities (for both housing and non-housing activities) that cannot reasonably be financed from other sources.

D. Tax Increment Revenues

1. Assumptions

The tax increment projections in this Report are intended only as estimates based on the best available information as of June 2001. Actual tax increment revenues may be higher or lower than those projected in the Report.

Time Limits

Section 279.619 of the Community Redevelopment Law provides that the Agency may not incur indebtedness beyond 20 years after the date on which the Plan is adopted and further requires that indebtedness be fully repaid no later than the termination of the Plan.¹ This Report assumes that no debt will be incurred beyond 20 years after Plan adoption. Section 279.439 of the Community Redevelopment Law provides that the effectiveness of the Plan, and any amendments to the Plan, must terminate not later than 30 years after the date on which the Plan is adopted. These assumptions have been incorporated in the attached tax increment projections contained in Tables 2 through 4 of this Report.

Establishing the Base Assessed Value

The first major step in the implementation of a tax increment financing program is accomplished at the time of adoption of the redevelopment plan. At the time of adoption, a base assessed value for tax increment purposes is established and the total value of all taxable property within the redevelopment area's boundaries is determined. The base value provides a baseline to determine the difference between values in the base year and enhanced values resulting from future redevelopment activities in the redevelopment area.² Future property taxes related to increases over the base value are referred to as tax increment revenues.

Under Section 279.676 (4) of the Community Redevelopment Law, the assessment roll last equalized before the effective date of the ordinance adopting the Plan is the assessment roll in existence on March 15th immediately preceding the effective date of the ordinance. The base value for the Downtown Redevelopment Area is based on the assessment roll existing on March 15, 1995. The taxable value of the Downtown Redevelopment Area in FY 1994/95 is \$215,620,177, resulting in a base assessed value of \$75,467,062.³ These amounts are based on the FY 1994/95 assessment roll.

Growth Assumptions

Tax increment revenues are projected by applying the effective property tax rate, assumed at average rate of \$2.5929 per \$100.00 of assessed value, to the incremental assessed value over the base assessed value.⁴ Tax increment revenues are generated from the growth in assessed value

¹ Section 279.619 of the Community Redevelopment Law provides that an agency may incur indebtedness at any time before the termination date of the redevelopment plan if the indebtedness is fully repaid no later than the termination of the redevelopment plan.

² Taxable value is the value of property as determined by the County Assessor, generally the appraised value of the land and the current replacement cost of improvements less statutory depreciation (1.5% per year for up to 50 years). The assessed value is determined by the County Assessor and used by the Treasurer to calculate the tax amount. The assessed value is 35% of the taxable value of the property.

³ The taxable value of the Downtown Redevelopment Area in FY 1994/1995 is based on Clark County Assessor records. The base assessed value is comprised of the secured value of property but does not include unsecured values. The approval of the original plan took place in October 1995.

⁴ Article X, Section 2, of the Constitution of the State of Nevada limits the total taxes levied by all overlapping governmental entities within the boundaries of any county (i.e., the county, the county school district, the State, and any other city, town, or special district) to an amount not to exceed five cents per dollar of assessed valuation (\$5 per \$100 assessed valuation) of the property begin taxed. Further, the combined overlapping tax rate is limited by statute to \$3.64 per \$100 of assessed valuation in all counties of the State. However, State statutes provide a priority for taxes levied for the payment of general obligation bonded indebtedness. In any year in which the proposed tax rate to

Redevelopment Plan Amendment – Downtown Redevelopment Area

above the base assessed value. Growth in assessed property values in the Downtown Redevelopment Area is based upon the factors below:

- 1 Annual underlying growth rate. The annual underlying rate is assumed at 3.5 percent per year. This accounts for reassessment of properties that remain in the same ownership, reassessments that occur upon the transfer (sale) of real property, and property depreciation.⁵
- 2 New development. The land use in the Downtown Redevelopment Area is varied and 26% of the land is vacant. Of the developed land, a substantial amount may be classified as underutilized. The current land uses are predominately commercial and low density residential (representing 31% and 36%, respectively of the Downtown Redevelopment Area). The future plans for the Agency include the intensification of commercial development and increasing the residential density. Public land represents approximately 8% of the land in the Downtown Redevelopment Area and is not expected to increase significantly. The average growth of tax increment is based upon historical information. The new development based on growth that will occur with new construction of undeveloped property and redevelopment of underutilized properties is not considered through adjustments in specific years.⁶

2. Revenues

Tax increment revenues are projected to total approximately \$82.7 million dollars over the 30 year life of the Plan. Table 2 provides a summary of the projection of the growth in assessed values and resulting tax increment revenues from the Downtown Redevelopment Area over the 30 year term of the Plan.⁷ (Refer to the Appendix for detailed analysis of tax increment projections).

**Table 2
Summary of Tax Increment Projections
Downtown Redevelopment Area
as of June 2003**

Tax Increment Projections	Amount
Gross Tax Revenues	\$ 82,708,017
Less: 18% Housing Set-Aside	<u>12,099,858</u>
Tax Increment Available for Non-Housing Projects	70,608,159
Less: Redevelopment Administration	<u>14,000,000</u>
Net Available for Non-Housing Projects	56,608,159

be levied by overlapping units within a county exceeds any rate limitation, a reduction must be made by those units for purposes other than the payment of general obligation bonded indebtedness, including interest thereon.

⁵ The assumed underlying growth rate of 3.5% per year is an estimate by Howarth and Associates based on discussions with the Clark County Assessor's Office and City of Henderson finance department. This assumption takes into account historic and projected growth rates in similar areas of Clark County.

⁶ New development projections are based on estimates provided by staff. Projections are based on 26% land coverage of vacant property and under utilized properties.

⁷ The growth assumptions are based on the secured value of real property and do not include unsecured value.

Notes: The Agency will set-aside 18 percent of gross tax increment revenues for a low-income housing program over the life of the Plan estimated to begin in fiscal year 2007 or when population reaches 300,000, equal to about \$12.1 million.

After fulfilling its affordable housing obligation, the Agency is projected to receive approximately \$56.6 million in tax increment revenues to fund the redevelopment and associated administrative costs.

Although not assumed in the Table 2 projection, the Agency may elect to finance redevelopment projects and programs with tax allocation bonds or notes in future fiscal years. The Agency may pledge tax increment revenues to secure the principal and interest payments of bonded indebtedness issued to finance anticipated program costs. The issuance of tax-exempt bonds and the use of said proceeds are subject to federal tax restrictions. The Agency may elect to incur bonded indebtedness at any time over the initial 20 years of the Plan's effectiveness (see footnote 1 above).

3. Economic Feasibility

The anticipated net cost to the Agency to implement the proposed program of revitalization and redevelopment in the Downtown Redevelopment Area and achieve the stated goals and objectives of the Plan will likely require significant participation from the Agency. To evaluate the feasibility of the Plan, the following analysis compares the net cost to the Agency of proposed redevelopment activities and projected tax increment revenues over the life of the Plan.

As previously shown in Table 1, the estimated net cost to the Agency to accomplish the proposed redevelopment activities (including administration costs) is approximately \$82 million dollars, comprised of about \$12 million for affordable housing activities, \$56 million for non-housing activities, and \$14 million for non-housing administration. The Agency is projected to receive about \$100.5 million in tax increment revenue. Thus, the Agency will have sufficient funds to support its redevelopment program pursuant to the Plan, as shown in Table 3.

**Table 3
 Comparison of Projected Tax Increment Revenues
 and Funding Requirements
 Downtown Redevelopment Area
 As of June 2003**

Tax Increment Revenues	Amount
Gross Tax Increment Available for Projects	\$ 82.7 million
Less: Non-Housing Activities	56 million
Less: Administrative Expense (Non-Housing)	14 million
Less: Housing Program	<u>12 million</u>
Potential funding surplus for other redevelopment programs and activities	\$.7 million

Table 3, comparing project costs and projected tax increment revenues, represents one potential scenario of economic feasibility. At the discretion of the Agency, other funding sources and expenditures may also represent viable alternatives for economic feasibility of the Plan. Although the Agency may consider other funding sources permitted in the Plan and by law, not all of the funding sources may be available or be feasible for the Agency to use in financing the anticipated costs and any revenue shortfalls. In the event that neither the City nor the private market acting alone could fully

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bear the costs associated with revitalization and redevelopment, the implementation of a redevelopment program utilizing primarily tax increment revenues can be considered as a viable financing tool.

The potential projects listed in this analysis, or other projects as may be determined by the Agency, will accomplish the Plan's goals and objectives by, among other things, eliminating blighting factors in the Downtown Redevelopment Area. It is expected that the resources that will be available to the Agency will be sufficient to carry out the Plan and redevelop the Downtown Redevelopment Area. Although the estimated project costs and the projected revenues will vary over time from those set forth in the estimates and projections presented in this Report, it is reasonable to conclude that the Plan will be financially feasible over the life of the Plan.

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APPENDIX

Chart 1
Summary of Tax Increment Projections
Downtown Redevelopment Area, City of Henderson

Summary of Assumptions:	
Growth Assumptions	
1994/95 Taxable Value:	\$215,620,177
1994/95 Base Assessed Value:	75,467,062
Tax Increment Generation	
Average Property Tax Rate	2.8545%
Housing Set-Aside	
Percent of Housing Set-Aside to Gross Tax Revenues:	18.00%
Adjustments	
Underlying Growth Rate:	3.5%
Assessed Value Percent of Taxable Value:	35.00%

**City of Henderson Redevelopment Agency
Tax Increment and Expenditure Projections
Downtown Redevelopment Area**

(SPREADSHEET TO BE INSERTED)

**RULES GOVERNING PARTICIPATION
BY PROPERTY OWNERS IN THE
DOWNTOWN REDEVELOPMENT AREA**

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Redevelopment Plan Amendment – Downtown Redevelopment Area

**RULES GOVERNING PARTICIPATION AND ASSISTANCE
BY PROPERTY OWNERS IN THE
DOWNTOWN REDEVELOPMENT AREA**

I. [§100] PURPOSE AND INTENT

These Rules Governing Participation and Assistance by Property Owners in the Downtown Redevelopment Area (“Rules”) are adopted pursuant to the Nevada Community Redevelopment Law in order to implement the provisions – regarding participation by and assistance to property owners within the Downtown Redevelopment Area (“Redevelopment Area”) as established by the Redevelopment Plan for the Downtown Redevelopment Area. These Rules set forth the procedures governing such participation.

It is the intention of the Agency to encourage and permit participation and assistance in the redevelopment of the Redevelopment Area by owners of real property to the maximum extent consistent with the objectives and requirements of the Redevelopment Plan.

II. [§200] DEFINITIONS

As used herein, the following definitions apply:

(1) “Agency” means the Redevelopment Agency of the City of Henderson.

(2) “Owner” means any person, persons, corporation, association, partnership or other entity holding title of record to real property in the Redevelopment Area on or after the date of adoption of the Redevelopment Plan by the City Council of the City of Henderson.

(3) “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.

(4) “Redevelopment Area” means the area described in the “Legal Description of the Redevelopment Area Boundaries” (Exhibit B of the Redevelopment Plan) and shown on the “Redevelopment Plan Map” (Exhibit A of the Redevelopment Plan).

(5) “Redevelopment Plan” means the Redevelopment Plan for the – Downtown Redevelopment Area as adopted or later amended by the City Council of the City of Henderson.

III. [§300] ELIGIBILITY

Owners shall be eligible to participate and assist in the redevelopment of property within the Redevelopment 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:

- (1) The elimination or modification of land uses;
- (2) The construction, vacation, widening, alteration or realignment of - streets;
- (3) The ability of participants to finance acquisition and complete proposed developments and rehabilitations;
- (4) The capability and experience of the participants to implement the proposed development;
- (5) The construction or expansion of public facilities;
- (6) The proposed land uses for redevelopment of the Redevelopment Area; and
- (7) Intensification of certain land uses.

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

IV. [§400] TYPES OF PARTICIPATION

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

- (1) Retaining all or a portion of their properties and developing or improving such property for use in accordance with the Redevelopment Plan;
- (2) Acquiring adjacent or other properties within the Redevelopment Area and developing or improving such property for use in accordance with the Redevelopment Plan; or
- (3) Selling their properties to the Agency and purchasing other properties in the Redevelopment Area.

Within 30 days of being notified that its property may be acquired by the Agency or that the Agency wishes to pursue the redevelopment of the property, an Owner who wishes to participate and assist in the redevelopment of property within the Redevelopment Area must submit to the Agency a statement indicating its interest in submitting a proposal to redevelop the property. The Agency will then notify the Owner submitting a statement of interest of the time within which it must submit to the Agency a proposal to participate and assist in the redevelopment of the property. An Owner who wishes to participate in the redevelopment of property within the Redevelopment Area must then submit a proposal for the redevelopment of the property that conforms to the provisions of the Redevelopment Plan and demonstrates that the proposed project will meet the objectives of the Redevelopment Plan. Each redevelopment proposal shall specify the manner of participation and assistance sought to be undertaken by the Owner and shall include a detailed description of the proposed project. A

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proposal shall also include a schedule for development and evidence of the Owner's ability to complete its participation in accordance with the Redevelopment Plan including a demonstration of its qualifications and its financial ability to carry out the proposed project. The Agency may also solicit and consider proposals from persons who are not Owners. An Owner's proposal will be considered along with any other proposals received.

A proposal may seek assistance from the Agency for redeveloping the property. The Agency may provide assistance in the redevelopment of property to an Owner if the Owner agrees to participate in the redevelopment of the property in conformity with the Redevelopment Plan.

If the Agency approves the Owner's proposal, the Owner shall be required to enter into an Owner Participation Agreement as provided for in Sections 600, 700 and 800. The Owner Participation Agreement will obligate the Owner to implement the proposal within a specified period of time and will contain provisions to ensure that the approved proposal will be fully implemented and that the property will be developed in accordance with the conditions, restrictions, rules and regulations of the Redevelopment Plan. The Agency may, based on its evaluation of the information available to it, and in its sole discretion, decline any offer of Owner participation, reject any proposals, resolve conflicting proposals between Owners, and resolve conflicting proposals between Owners and other potential developers.

Each proposal for participation and assistance shall be reviewed by the Agency specifically with respect to the following:

- (1) Conformity with the land use provisions of the Redevelopment Plan;
- (2) Compatibility with the standards, covenants, restrictions, conditions and controls of the Redevelopment Plan;
- (3) Compatibility with parcelization of the Redevelopment Area into sites adequate for redevelopment;
- (4) The participant's ability to finance the acquisition and development or improvement in accordance with the Redevelopment Plan;
- (5) The degree to which the proposal furthers the objectives of the Redevelopment Plan;
- (6) Assistance sought from the Agency and the estimated cost of any Agency involvement;
- (7) The development team's qualifications; and
- (8) The time schedule for completion of the proposed project.

If conflicts develop between the desires of participants for particular sites or land uses, the Agency is authorized to establish reasonable priorities and preferences among the participants. Some of the factors to be considered in establishing these priorities and preferences may include:

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- (1) A participant's length of occupancy in the area;
- (2) Accommodation of as many participants as possible;
- (3) Similarity of land use;
- (4) The necessity to assemble sites for integrated, modern development;
- (5) Conformity of a participant's proposal with the intent and objectives of the Redevelopment Plan; and
- (6) Service to the community of a participant's proposal.

V. [§500] CONFORMING OWNERS

The Agency may, in its sole and absolute discretion, determine that certain real property within the Redevelopment 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 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 Redevelopment Area, then, in such event, such conforming Owners may be required by the Agency to enter into an Owner Participation Agreement with the Agency, as set forth in Sections 600, 700, and 800.

VI. [§600] OWNER PARTICIPATION AGREEMENTS

Owners wishing to develop or improve their properties within the Redevelopment Area may be required to enter into an Owner Participation Agreement with the Agency if the Agency determines it is necessary to impose upon such property any of the standards, restrictions or controls of the 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 Redevelopment Plan and the Owner Participation Agreement. An Owner Participation Agreement shall be effective only upon approval by the Agency.

VII. [§700] NOTICE TO OWNERS; TIME TO ENTER INTO OWNER PARTICIPATION AGREEMENT

If the Agency determines that an Owner of real property within the Redevelopment Area shall be required to enter into an Owner Participation Agreement as provided in Section 600, the Agency shall notify the Owner in writing of its intention to require an Owner Participation Agreement and shall provide the Owner with a copy of the proposed Owner Participation Agreement.

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An Owner presented with an Owner Participation Agreement by the Agency must enter into the Agreement within a reasonable period of time as determined by the Agency. An Owner must submit proof of his qualifications, including financial responsibility, to carry out the terms and provisions of the Owner Participation Agreement.

VIII. [§800] CONTENTS OF OWNER PARTICIPATION AGREEMENTS

An Owner Participation Agreement shall obligate the Owner, his heirs, and successors and assigns, and tenants to devote the property to the uses specified in the 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, as provided for in the Redevelopment Plan, 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 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 purpose of the Redevelopment Plan.

IX. [§900] 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:

(1) Such building requires structural alteration, improvement, modernization or rehabilitation; or

(2) The site or lot on which the building is situated requires modification in size, shape or use; or

(3) It is necessary to impose upon such property any of the standards, controls, limitations, requirements or restrictions of the 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 Redevelopment Plan or fails to redevelop the property as provided in such Owner Participation Agreement.

X. [§1000] AMENDMENT OF RULES

These Rules may be modified or amended from time to time by the 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.

