

Douglas County Board of County Commissioners

AGENDA ACTION SHEET

Title: For possible action. Discussion to approve a Memorandum of Understanding between the Tahoe Douglas Fire Protection District and the Douglas County Redevelopment Agency regarding the Redevelopment Plan for Redevelopment Area No. 2 within the Lake Tahoe Basin area of Douglas County, and the provision and funding of reasonably necessary public services within the Redevelopment Area. (Doug Ritchie)

Recommended Motion: Approve the Memorandum of Understanding between the Tahoe Douglas Fire Protection District and the Douglas County Redevelopment Agency regarding the Redevelopment Plan for Redevelopment Area No. 2 within the Lake Tahoe Basin area of Douglas County, and the provision and funding of reasonably necessary public services within the Redevelopment Area.

Financial Impact: None at this time.

Prepared by: Zach Wadle, Deputy District Attorney

Meeting Date: July 21, 2016 **Time Required:** 5 minutes

Agenda: Consent

Background Information: During the process to form Redevelopment Area No. 2 in the Stateline, Nevada area, the Tahoe Douglas Fire Protection District (“Tahoe Douglas”) expressed potential concern about its ability to fund reasonably necessary public services within the Redevelopment Area due to future property tax increment being diverted to the Redevelopment Agency instead of Tahoe Douglas and other taxing agencies. Tahoe Douglas proposed a Memorandum of Understanding between Tahoe Douglas and the Douglas County Redevelopment Agency setting forth the parties mutual understanding of the possible effect of the Redevelopment Area on Tahoe Douglas’ ability to fund reasonably necessary public services, and possible methods to address a funding shortfall should it arise. The Memorandum of Understanding was reviewed and negotiated by both parties’ legal counsel. The final version of the Memorandum of Understanding has been approved by the Tahoe Douglas Board, signed by the Tahoe Douglas Board Chairman, and is attached as **Exhibit A**. The Memorandum of Understanding does not obligate either party to engage in any specific action, but sets forth the parties' mutual understanding to work cooperatively to procure adequate resources to support reasonably necessary public services within the Redevelopment Area if necessary and feasible.

Agenda Item # D

MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING (“MOU”) clarifies the mutual understanding between the Tahoe Douglas Fire Protection District (“Fire District”), by and through its Board of Trustees, on the one hand, and Douglas County, Nevada (the “County”) and the Douglas County Redevelopment Agency (the “RDA”) (collectively, the “County Parties”), on the other hand, regarding the Redevelopment Plan for Redevelopment Area No. 2 within the Lake Tahoe Basin area of Douglas County, Nevada (the “Redevelopment Plan”).

RECITALS

A. WHEREAS, on February 18, 2016, the Douglas County Board of County Commissioners (“BOCC”) approved Ordinance No. 2016-1456 to officially create Redevelopment Area No. 2 (the “Redevelopment Area”) and adopt the Redevelopment Plan as the official redevelopment plan for the redevelopment area pursuant to NRS 279.580 and 279.586.

B. WHEREAS, pursuant to NRS 279.676(1)(a) and 279.676(4), the Redevelopment Plan may limit for the duration of the Redevelopment Plan, the revenues that the Fire District receives from ad valorem taxes generated from taxable property within Redevelopment Area No. 2 to the amount of ad valorem tax revenue which the Fire District was receiving based on the assessment roll as of the March 15 immediately preceding the adoption of the Redevelopment Plan. Pursuant to NRS 279.676(1)(b) and subject to the provisions of NRS 279.676(1)(c) and (d) governing additional taxes imposed within the Fire District, the portion of the levied taxes in excess of the amount currently collected as set forth in NRS 279.676(1)(a), without any inflation adjustment, will be allocated to, and when collected paid into, a special fund of the RDA to pay the costs of redevelopment

C. WHEREAS, in light of the possible cap on the Fire District’s future revenues from ad valorem taxes from properties with the Redevelopment Area, and because of the potential for increased demand for the Fire District’s services created by development within the Redevelopment Area and other factors such as inflation, the Fire District has serious concerns about whether it will have sufficient funding over the duration of the Redevelopment Plan (potentially 30 years) to continue to provide the standards of fire protection and emergency medical services within the Redevelopment Area required by NFPA § 1710, *Standard for the Organization and Deployment of Fire Suppression Operations, Emergency Medical Operations, and Special Operations to the Public by Career Fire Departments*. Those services include, without limitation, the needs of the Fire District to employ personnel and to purchase, maintain, and upgrade the equipment, apparatus, facilities, and other infrastructure necessary to provide public safety services.

D. WHEREAS, attached hereto as Appendix 1 and incorporated herein by reference is a summary, prepared solely by the Fire District, of what the Fire District believes may be the economic impact of the Redevelopment Plan on the Fire District's ability to meet the required standards for fire protection and emergency medical services during the course of the Redevelopment Plan. The County parties have not independently reviewed, analyzed, and/or verified the Fire District's summary and do not adopt the Fire District's conclusions or findings.

E. WHEREAS, in public comment during the BOCC meeting on January 21, 2016, a County representative stated that, should the Fire District's concerns about its funding as a result of the Redevelopment Plan come to fruition during the course of the Redevelopment Plan, County staff and property owners within the Redevelopment Area are committed to working cooperatively with the Fire District to procure adequate resources to support reasonably necessary public services within the Redevelopment Area.

F. WHEREAS, the parties hereto wish to memorialize in this Memorandum of Understanding the principal terms of their collective understanding with regard to the issues set forth above.

NOW, THEREFORE, in consideration of the above Recitals, which are incorporated herein by reference, the parties hereto set forth their understanding of the foregoing issues, as follows:

1. For the duration of the Redevelopment Plan, the Parties will work cooperatively to procure adequate resources to enable the Fire District to continue to provide reasonably necessary public services within the Redevelopment Area.
2. Methods by which the parties hereto envision that the Fire District may procure additional resources to offset any fiscal effects of the Redevelopment Plan on the Fire District possibly include, without limitation:
 - Payment by the RDA of additional monies to the Fire District in lieu of property taxes for taxable property owned by the Redevelopment Agency, in accordance with NRS 279.496.
 - Purchase or lease conditions imposed by the RDA on purchasers or lessors of property within the Redevelopment Area, requiring those purchasers or lessors to pay fees, for the benefit of the Fire District, to offset the impact on the Fire District of the costs of public services attributable to those properties, in accordance with NRS 279.482(1).
 - Payment(s) made by owners of property within the Redevelopment Area, including, without limitation, the RDA, for the benefit of the Fire District to enable it to provide reasonably necessary public services, to the extent permitted by Nevada law.

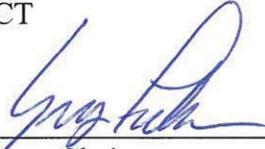
- Proceeds paid to the Fire District derived from a fee to be added to the ticket price for live entertainment acts/shows at any venues within the Redevelopment Area, to the extent permitted by Nevada law.
- Use of RDA funds for Fire District facilities and/or improvements to the extent permitted under NRS Chapter 279.
- Additional tax revenues raised by the Fire District not subject to RDA funding pursuant to NRS 279.676(1) (c) and (d).

3. The County Parties and the Fire District agree to work cooperatively with each other to implement the methods set forth in paragraph 2 above if necessary and feasible, as well as any other appropriate methods, so Fire District has adequate resources to provide reasonably necessary public services at all times within the Redevelopment Area.

IN WITNESS WHEREOF, the parties hereto have executed this MOU on the dates indicated below.

DATED: 5/25, 2016

TAHOE DOUGLAS FIRE PROTECTION DISTRICT



Greg Felton, Chairman
Board of Trustees

DATED: _____, 2016

COUNTY OF DOUGLAS, NEVADA

By: _____
Doug N. Johnson
Its: Chairman, Douglas County Board
of Commissioners

DATED: _____, 2016

DOUGLAS COUNTY
REDEVELOPMENT AGENCY

By: _____
Doug N. Johnson,
Its: Chairman

Attachment: Exh A -- MOU re RDA and TDFPD (1756 : MOU with Tahoe Douglas re: Redevelopment Area No. 2)

