



Senate Bill 51 – Account for Housing Expansion through Local Partnerships (HELP)

Sponsor: Nevada League of Cities & Municipalities

Intent of the Account for HELP:

SB 51 creates a \$20 million fund within the Housing Division of the State of Nevada to reimburse local jurisdictions that have waived fees for affordable housing projects.

The intent is to allow local jurisdictions to seek reimbursement from the Housing Division of the State of Nevada for waived/reduced fees pursuant to NRS 278.235:

- *Local jurisdictions may apply for up to 100% of the total cost of the reduced/ waived fees.*
- *Fee waivers are only available for up to 60% area median income affordable housing projects as defined by existing statute.*
- *For the purposes of reimbursement, local jurisdictions are not eligible until the project receives the certificate of occupancy.*
- *Reimbursement is contingent upon approval of the Interim Finance Committee.*

Background:

Washoe and Clark County and the incorporated cities within them are required to include a housing element in their master plans. The housing element must include 6 of 12 measures to address the housing needs of the city or county. One of the six measures is to waive fees for the development of affordable housing. In 2019, the Legislature passed Senate Bill 103 which allows local jurisdictions to waive or reduce certain fees for the construction of affordable housing.

Over the last five years, Reno, Henderson, and Las Vegas have awarded more than 12 million in fee reductions or waivers for the development of affordable housing – 769 units are built and/or leasing. A summary of waived fees can be found below:

Entity	Total Units	Fees Waived
City of Reno	2,114	\$12,053,934
City of Henderson	144	\$258,952
City of Las Vegas	165	\$40,000

While these waiver programs are proving to be a beneficial tool in support of bringing affordable housing to market, additional funding from the state and/or federal government could go a long way for Reno, Henderson, and Las Vegas to continue their programs. The fee waivers have been a valuable tool for local jurisdictions. Additional funding would encourage other jurisdictions to waive fees without jeopardizing their enterprise funds. Types of fees waived or reduced include impact fees, fees for the issuance of building permits, or fees imposed for which an enterprise fund was created (e.g. sewer connection fee).

Definitions:

Enterprise fund: A fund created for the local government to provide a service like sewer service whereby the money collected is meant to cover the costs of providing those services and the governing body periodically reviews the costs and revenues needed to provide those services in the future.

Sewer connection fee: The payment made by a property owner for permission to make a direct or indirect connection to the sewer system.

Building permit fee: A fee charged by a local government to review plans and inspect buildings for development projects.

Impact fee: A fee charge by a local government on new development to finance the costs of a capital improvement or facility expansion necessitated by and attributable to the new development.