

BDR 22-694 AB 131

LOCAL GOVERNMENT FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: February 15, 2025

Agency Submitting: Local Government

Items of Revenue or Expense, or Both	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Effect on Future Biennia
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

See attached.

Name Michael Nakamoto

Title Chief Principal Deputy Fiscal Analyst

The following responses from local governments were compiled by the Fiscal Analysis Division. The Fiscal Analysis Division can neither verify nor comment on the figures provided by the individual local governments.

Local Government Responses
AB131 / BDR 22 - 694

City/County: **Clark County**

Approved by: Chris Wardlaw, Budget Manager

Comment: his mandate introduces several elements that could lead to a notable fiscal impact for Clark County in various ways:

Implementation Costs: The development of the ordinance itself will incur costs associated with research, planning, and legal review to ensure compliance with the new requirements. Additionally, staff will need to draft, review, and potentially revise existing zoning codes and regulations to incorporate the provisions related to ADUs.

Training and Staffing: The ordinance requires a streamlined approval process and adherence to safety codes, necessitating training for county employees involved in the permitting and inspection processes. This may lead to the hiring of additional staff or the allocation of existing staff time, resulting in increased labor costs.

Public Engagement: There may be costs associated with public outreach and engagement efforts to inform residents about the new ordinance and its implications. Conducting public hearings or informational sessions could further contribute to administrative expenses.

Compliance and Enforcement: With the inclusion of restrictions on short-term rentals, the County may face additional responsibilities related to monitoring compliance. This could require investment in enforcement mechanisms, such as hiring inspectors or implementing software for tracking and regulating short-term rental activity.

Infrastructure and Services: The introduction of ADUs could lead to increased demand for local services, including utilities, waste management, and public safety. If the growth in ADUs results in higher service demands, Clark County would need to assess and possibly expand its infrastructure and service capacity, leading to additional costs.

While the precise fiscal impact of these changes is challenging to quantify, it is evident that the implementation of this bill would require financial resources across various departments and initiatives, thus creating a potential fiscal impact for Clark.

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: **Washoe County**

Approved by: Cadence Matijevich, Government Affairs Liaison

Comment: This BDR will result in a fiscal impact to Washoe County, some of which can be reliably estimated and some of which cannot be determined. The cost for Washoe County to enact the ordinance required by this BDR is estimated to be \$150,000, including expenses to conduct an environmental assessment because the ordinance would be applicable to properties located within the Lake Tahoe Basin.

Existing Washoe County ordinances allow Accessory Dwelling Units (ADUs) in most areas of the unincorporated area of the County. This BDR would introduce restrictions on ADUs that do not exist today. There is a potential that these restrictions would reduce the number of ADUs being constructed in the unincorporated area of Washoe County and therefore could reduce future property tax collections. Because the number of such units that would have been constructed without the restrictions is unknown, a reliable estimate of reduced future property tax collections cannot be determined.

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
Has Impact	\$0	\$150,000	\$0	\$0

City/County: **City of Henderson**

Approved by: Mike Cathcart, Business Operations Manager

Comment: No fiscal impact to the City of Henderson.

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: **City of Las Vegas**

Approved by: Rocio Martinez Saucedo, Grants Administrator

Comment:

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: **City of Reno**

Approved by: Jason Gortari, Urban Economist

Comment: This bill mandates an approval process for adding accessory dwelling units (ADUs) to historic properties in major cities and counties across Nevada. It establishes streamlined application procedures, safety standards, and usage restrictions while requiring local governments to comply with necessary zoning adjustments. The cost estimates assume that a new ordinance, in the form of a zoning code text amendment outlined in Section 1 of the bill, will be required in fiscal year 2025-26 to address all legislative provisions. This effort is projected to involve approximately half of the annual workload of a full-time senior planner, including the associated public noticing requirements for the text amendment. The anticipated cost reflects the need to contract this work, calculated at \$60 per hour for 1,040 hours, which represents the midpoint of the senior planner pay range at the City. Additionally, significant community engagement will be required due to past concerns regarding ADUs. An estimated \$5,000 in services and supplies will be allocated to support the policy drafting and adoption process. This process is expected to be resource-intensive, encompassing agenda administration, public notices, the creation of resolutions and ordinances, the development of staff reports for at least three meetings, and meeting preparation and attendance.

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
Has Impact	\$0	\$66,370	\$0	\$0

City/County: **City of Sparks**

Approved by: Tiffany Pugh, Accounting Manager

Comment:

Impact	FY 2024-25	FY 2025-26	FY 2026-27	Future Biennia
No Impact	\$0	\$0	\$0	\$0

The following city did not provide a response: City of North Las Vegas