



*Las Vegas*

Agenda Item No.: 8.

**AGENDA SUMMARY PAGE**  
**RECOMMENDING COMMITTEE MEETING OF: SEPTEMBER 5, 2006**

DEPARTMENT: FINANCE AND BUSINESS SERVICES

DIRECTOR: MARK R. VINCENT

Consent  Discussion

SUBJECT:  
NEW BILL

Bill No. 2006-48 Authorizes the City Treasurer of City of Las Vegas, Nevada, to reduce the rate of interest on delinquent assessments for the following special improvement districts; 404, 505, 707, 808, 1446, 1463, 1469, 1470, 1471, 1473, 1482, 1447, 1448, 1450 and 1446. Proposed by: Mark R. Vincent, Director of Finance and Business Services - All Wards

**Fiscal Impact:**

No Impact

Augmentation Required

Budget Funds Available

Dept./Division:

Amount:

Funding Source:

**PURPOSE/BACKGROUND:**

This ordinance will amend existing special improvement district ordinances to allow the City Treasurer to reduce the rate of interest assessed on delinquent accounts. This is in accordance with NRS 271.

**RECOMMENDATION:**

This bill should be submitted to a Recommending Committee for review, hearing and recommendation to the City Council for final action.

**BACKUP DOCUMENTATION:**

Bill No. 2006-48

Motion made by STEVEN D. ROSS to Approve as a Do Pass with a correction to replace the last SID number of 1446 in the subject matter with 1463

Passed For: 2; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 0

LOIS TARKANIAN, STEVEN D. ROSS; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-None)

Minutes:

COUNCILWOMAN TARKANIAN declared the Public Hearing open.

MARK VINCENT, Director, Finance and Business Services, remarked that NRS 271 requires that penalties of up to two percent on the entire remaining balance be imposed on late payment of special improvement assessments. Staff has conducted analysis that indicate that the interest penalty could actually be dropped substantially without any impact to the debt service

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requirements. Therefore, he is requesting that, through this bill, he be authorized to set the interest penalty at a uniform rate for all special improvement districts (SIDs), so that it will be sufficient to get property owners to pay their SIDs in a timely fashion.

COUNCILMAN ROSS asked why these districts were chosen. MR. VINCENT answered that these are old districts that do not include the language, unlike the newer districts that include a clause allowing him to set the rate of penalty.

COUNCILMAN ROSS asked how staff expect people to pay in a timely manner by reducing the rates when they do not pay on time with high penalties. MR. VINCENT indicated that the commencement of the foreclosure process is what really compels property owners to become current on their payments.

COUNCILMAN ROSS stated that he was a bit confused and still did not understand the purpose of reducing the penalties. COUNCILWOMAN TARKANIAN said it was to make the process fair. MR. VINCENT commented that most people miss an SID payment because they become involved in the details of buying a new home; some properties even have two SIDs. A lot of the property owners that fall behind feel that the penalties are too high, because they are almost fifty percent or two-thirds of the missed payment. COUNCILMAN ROSS and COUNCILWOMAN TARKANIAN noted that the penalty should be just and not overwhelming.

COUNCILMAN ROSS confirmed with MR. VINCENT that the rate of delinquency is not too high.

CHIEF DEPUTY CITY ATTORNEY JIM STEED noted that the agenda item should be corrected to replace the last SID number of 1463 with 1468.

No one appeared in opposition.

COUNCILWOMAN TARKANIAN declared the Public Hearing closed.

