

2017

West Henderson PFNA Area Plan

Assessment of needed public facilities in West Henderson

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City of Henderson
1/1/2017



Acknowledgements

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West Henderson Public Facilities Needs Assessment Area Plan

Introduction and Background

The West Henderson Land Use Plan Update (hereafter referred to as the “West Henderson Plan”), adopted by City Council in December 2014 provides a foundation for development in West Henderson (Exhibit F). The West Henderson Plan provides guidance on land uses, projected units, projected population as well as guiding principles related to Economic Development, Housing, Transportation and Infrastructure and Parks, Recreation, Open Space, trails and civic lands.

The City forecasts population growth of approximately 70,000 in West Henderson by 2050 (Exhibit F pages 3-30 and 3-31). Since the adoption of the West Henderson Plan, the City has experienced increased interest in development on private and federal lands in West Henderson. In fact, during the Spring 2016 Bureau of Land Management (“BLM”) auction the City supported the nomination of 370 acres, of which 360 acres were sold to successful bidders. With the expected nomination of future federal lands in West Henderson, the growing interest in development of private lands, and the absence of a master plan developer interested in a large area of land, the City began a process to develop this West Henderson Public Facilities Needs Assessment Area Plan (“West Henderson PFNA”) to evaluate future public facility needs to support future development in West Henderson. The research developed in the West Henderson PFNA includes the: current inventory and capacity of existing public facilities, future public facility needs based on populations forecasts, cost estimates and funding plan. Furthermore, because of the absence of a master plan developer the City deemed planning for future public facilities even more critical to maintaining the high quality of life and the high quality development that Henderson residents and businesses currently enjoy in order to continue Henderson’s vision as America’s Premier Community.

Over the years, the City’s growth has moved west from Henderson’s core. With each phase of development, there has been a master developer who partnered with the City to provide necessary infrastructure, public facilities, emergency services, and parks and open spaces. The examples are numerous:

- American Nevada with Green Valley Ranch
- Silver Canyon Partnership with Seven Hills
- Del Webb with Anthem and Sun City MacDonald Highlands
- Inspirada Builders with Inspirada.
- Macdonald Properties with MacDonald Highlands and Sunridge
- AGRW with The Canyons
- Lake Las Vegas Partnership and Paulson with Lake Las Vegas

Each of these master developers provided or contributed to infrastructure and facilities to service the populations each of their communities generated.

West Henderson, excluding Inspirada, appears to be the exception to previous phases of growth and may not have one large master developer given that there are many small parcels in the area, especially in the northwest corner. The City anticipates that there most likely will be proposals for 20-40 acre or even smaller developments that would not, on their own, generate a need for a park or a fire station (for example); however, collectively the combination of these developments will create the demand for these and other public facilities. Therefore, there needs to be a mechanism for all developers to participate in the cost of such facilities and infrastructure.

Nevada Revised Statutes 278.02591 provides the mechanism for local jurisdictions to extend infrastructure to undeveloped areas through the proposed Public Facilities Needs Assessment. Nevada Revised Statutes 278.02592 authorizes the City to carry out the plan for infrastructure, including equitable cost distribute, by negotiating master development agreements.

This West Henderson PFNA will utilize housing, population, and non-residential projections from the West Henderson Plan, the needed facilities generated by those projections based on City master plans and best practices and how to equitably distribute the costs to develop facilities and infrastructure.

Infrastructure Assessment

Although this document will refer to and rely on, in part, information contained in the West Henderson Plan adopted by City Council in December 2014 the adoption of this PFNA by ordinance does not amend the West Henderson Plan. The analysis below summarizes many of the findings, projections, and decisions made through adoption of the West Henderson Plan. Further, the information contained within relies on participation from various departments within the City of Henderson.

BOUNDARIES

Exhibit A defines the boundaries of the West Henderson PFNA.

Per the West Henderson Plan, “The area referred to as West Henderson encompasses mostly vacant land and is generally bounded by Las Vegas Boulevard to the west, St. Rose Parkway to the north, the master-planned communities of Seven Hills and Anthem to the east, and the Sloan Canyon National Conservation Area to the south.”

The boundaries of the West Henderson PFNA and the contribution contained herein do not include and are not applied to the seven residential villages in Inspirada. The developer of Inspirada (Inspirada Builders, LLC), per development agreement has obligations to construct the facilities generated by their development in addition to an LID for other needed infrastructure.

The parcels contained in the area currently known as the Inspirada Town Center are included in the West Henderson PFNA. As of the writing of this document, the City is actively pursuing cancellation of the development agreement that covers the entirety of the Inspirada Town Center. The City anticipates separate development agreements with each property owner within the Inspirada Town Center.

Parcels that are within the contiguous boundaries of this plan, but are not within the City of Henderson jurisdiction are not included in the West Henderson PFNA; however, should those parcels be annexed to

the City of Henderson, they will be subject to the West Henderson PFNA. The boundaries of the West Henderson PFNA will be adjusted as the City limits are adjusted.

LAND USE/HOUSING/POPULATION/NONRESIDENTIAL SQUARE FOOTAGE

LAND USE – The planned land uses for West Henderson are in accordance with the West Henderson Plan and are updated from time-to time. Exhibit B of the West Henderson PFNA shows the land uses currently approved within the West Henderson PFNA; however, as is normal course for land use plans, the West Henderson Plan is subject to change.

HOUSING – Based on modeling prepared for the West Henderson Plan, 30,400 housing units are projected within the boundaries of the West Henderson PFNA (Exhibit F pages 3-30 and 3-31). This includes all single-family residential development whether attached or detached, all multi-family units, and all residential units within any mixed use development.

POPULATION – Based on the modeling prepared for the West Henderson Plan, the population within the West Henderson PFNA area is 73,700 excluding the Inspirada residential villages (Exhibit F pages 3-30 and 3-31).

NON-RESIDENTIAL – The West Henderson Plan projects the following:

- 3,470,000 square feet of commercial
- 6,750,000 square feet of office
- 3,140,000 square feet of public/civic space
- 6,900,000 square feet of industrial

LIST OF FACILITIES

The sections that follow explain the need of each of these facilities. (Exhibit B) is a map showing a general location for each facility, including needed acreage (excluding 3 and 4 below). The facilities are as follows:

PROPOSED FOR FUNDING FROM WEST HENDERSON PFNA CONTRIBUTION

1. Central Community Park and Fire Station (50 acres)
2. Police Station (7.5 acres)
3. Two, 5-acre neighborhood parks (10 total acres) – approximate locations shown
4. Seven, 10-acre neighborhood parks (70 total acres) – approximate locations shown

NOT PROPOSED FOR FUNDING FROM WEST HENDERSON PFNA CONTRIBUTION

5. Detention Basins (2) and Outfall (80 Acres)
6. Maintenance Yard & Storage, Water Pump Station & Reservoir (7.5 Acres)
7. Sweeper Dump Facility, Water Pump Station and Reservoir (10 acres)
8. Sloan/Via Inspirada & Via Nobila Interchanges at I-15
9. Mountain Park (800 acres)
10. Sloan Gateway Park (30 acres)

11. Roadways, Street Lights and Traffic Signals
12. Water and Sewer Infrastructure
13. Southwest Fire Station

PARKS, TRAILS AND OPEN SPACE

Based on the City of Henderson Parks Master Plan requirement of 5.5 acres of park per 1000 residents and the goal to have one park within ½ mile of each home, as shown on Exhibit E, the West Henderson Plan identified three regional parks and a number of smaller neighborhood and community parks. The analysis substantially funds the neighborhood parks, a recreation center and sports complex that will meet the current Parks and Trails master plan for both acreage and proximity. The estimated construction costs for these facilities are based on current construction pricing. Further, per the West Henderson Trails and Watersheds map (Exhibit C), trails are identified within the many washes within West Henderson. The open space requirements of the Parks and Trails Master plan will be vastly exceeded with the inclusion of the “Mountain Park” area and the existing seasonal flood-water courses.

Some of the parks and trails identified as eligible for funding in the West Henderson PFNA are only partially funded. Further, certain parks, trails and facilities are not subject to funding through the contributions identified in the West Henderson PFNA. As a result, Residential Construction Tax (RCT) will continue for development in West Henderson. As described later in the document, the required annual reporting will evaluate if other funding sources become available such as SNPLMA, grants, City funds, LIDs and NIDs pursuant to NRS 271. At the current time, there is no identified source to pay the unfunded portions of park and trails. The result of the annual reporting could lead to increases or decreases in the amount of contribution.

EMERGENCY SERVICES

POLICE

The nearest existing police substation is located at Green Valley Parkway and Paseo Verde, which is over 5 miles from the West Henderson area. Inspirada Builders, through their amended and restated development agreement with the City of Henderson donated a 2.5-acre site to the City for the purposes of having a location for a future police substation to serve West Henderson. As a temporary solution, police officers have been provided a location within an Inspirada HOA building from which to work. Working with the Police Department and based on best practices it was determined that as the population increases in this area, the need for more centralized police services will become necessary. A location for a 7.5 acre police substation site is identified as a needed facility and is proposed to be funded by the West Henderson PFNA.

FIRE

The entire West Henderson area is currently served by the fire station located in Anthem (Station 99). The City of Henderson goal for service radius is an approximate 6-minute response time. Working with the Fire Department and based on industry standards it was determined that as West Henderson develops there will be a need for three additional fire stations and related infrastructure in West Henderson:

1. The first location is the fire station in Inspirada that is funded by the Inspirada Builders and will be under construction beginning in the fourth quarter of 2016.

2. The second location for a fire station and related infrastructure is at the Central Community Park location, which is a more central location to better meet the response time goals. This location is proposed to be funded by the West Henderson PFNA.
3. The third location will be identified at a later date as development occurs toward the southwest corner of the area. This fire station and related infrastructure location is not funded by the West Henderson PFNA.

UTILITIES

WATER AND SEWER INFRASTRUCTURE

Water and sewer are not included in the West Henderson PFNA. A separate backbone water infrastructure phasing plan will be developed and adopted by the City Council, which is anticipated to include a water infrastructure charge to cover the costs for financing the construction of the first phase of the backbone water system for service to West Henderson.

NATURAL GAS

Natural gas will be provided by Southwest Gas and constructed by developers as needed, the gas system will be owned and operated by Southwest Gas and is NOT contemplated for funding by the contribution identified in the West Henderson PFNA.

ELECTRICITY

Electricity will be provided by NV Energy and constructed by developers as needed, the electrical distribution system will be owned and operated by NV Energy and is NOT contemplated for funding by the contribution identified in the West Henderson PFNA.

COMMUNICATIONS

Telecommunications/data/television will be provided by a variety of providers, generally Century Link and Cox Communications. The communication systems will be owned and operated by the service providers and are NOT contemplated for funding by the contribution identified in the West Henderson PFNA.

TRANSPORTATION

Major and minor roadways within the area will be as determined by the Master Transportation Plan element of the Henderson Comprehensive Plan and per traffic impact analysis. Each developer of property within West Henderson will be responsible for construction of roadways adjacent to or serving their property unless otherwise specified through a development agreement. In most cases, developers will be required to provide a traffic impact analysis. Traffic signal warrants will be reviewed on a project by project basis. Traffic signal participation contributions (or construction) will be conditioned as needed at time of traffic impact analysis and improvement plan approval as is the current practice in the rest of the City of Henderson. Regional roadways, such as the two potential interchanges at Sloan and Via Nobila will both be funded through other sources. Therefore, this transportation infrastructure is NOT contemplated for funding by the contribution identified in the West Henderson PFNA.

SCHOOLS

While there are a number of school locations identified in the West Henderson Plan, the funding for these facilities is not included in the West Henderson PFNA. As is normal practice, the City will evaluate the potential to secure school sites through reservation of Bureau of Land Management (BLM) lands.

OTHER

SOUTHERN NEVADA REGIONAL PLANNING COALITION (SNRPC)

The SNRPC has not imposed requirements in West Henderson.

Public Facilities Needs Assessment Contribution

A cost analysis and distribution of cost was prepared and is included as Exhibit D of this document. The cost of included facilities and infrastructure is based on current bid prices, recent past actual construction costs and input from staff from relevant departments. The construction costs of the identified facilities and infrastructure and the data and projections contained in the West Henderson Plan, were used to help determine a per-unit equitable distribution of cost. The facilities were assessed using two methods, by area and by per unit assessment. The Police and Fire facilities are assessed on a per acre basis as all of the developable acreage within the boundaries of the West Henderson PFNA needs adequate Police and Fire protection. Coverage and availability is based on being within the service area, the assessment is equal for all property within the proposed service area. The per acre assessment for all the nonresidential property was then spread based on typical occupancy rates (with warehouse the lowest and office/civic uses the highest). The demand for service is driven by the human element much more than the size or shape of the building and parcel. The parks and recreation center costs were only applied to residential land uses. All residential units (single and multi-family) are assessed at the same rate since all residents/occupants have equal access to parks and recreation centers. The assessment per acre goes up with density, higher density equates to high numbers of users. Exhibit D consists of two tables that list the facilities identified in the West Henderson PFNA, their estimated cost and a breakdown of the formulas used to determine the contribution, which are summarized in the table below.

Type of Use	Cost per square foot	Cost per Unit
Single-Family Residential		\$2,000*
Multi-Family Residential		\$2,000*
Retail Use	\$0.75*	
Office/Civic Use	\$1.00*	
Industrial Use	\$0.40*	

* These contributions will be evaluated on an annual basis to determine if they will be increased or reduced by a maximum of 5%.

There may be situations within certain developments where uses are mixed within the development or building. The intent is to apply the contribution to the appropriate portion of such mixed use developments. For example, if a mixed use building contains ground-floor retail with residential units above then the retail cost in the table above will be applied to the retail portion of the building and the multi-family residential cost would be applied to the residential portion. This may occur in developments

or buildings that are mixed and do not contain residential units. For example, if an industrial facility that contains a retail store for items/goods that are produced then the cost per square foot would be applied to the appropriate portion of the building.

The City will rely on the West Henderson Plan and the Development Code for the definitions of the uses listed under “type of use” in the above table.

GAP IN FUNDING

As represented in Exhibit D some of the identified facilities are not 100% funded by the West Henderson PFNA:

1. The two 5-acre neighborhood parks are 74% funded
2. The seven 10-acre neighborhood parks are 74% funded, and
3. The 60-acre sports complex is 74% funded

The Central Community Park is about 75% funded and the Fire Station and Police Station are 100% funded by the West Henderson PFNA contribution. The annual review by the DSC Advisory Committee may result in an increase in the contribution, which would then potentially close the gap over time on the facilities not fully funded by the West Henderson PFNA.

The proposed contribution is currently the only revenue stream proposed to fund infrastructure in West Henderson, as described above. One of the purposes of the annual review (described below) is to evaluate the potential for other sources of funding. As is discussed, some of the facilities contained in the West Henderson PFNA are either not funded or only partially funded. This gap will either be addressed by potential annual increases in the contribution or the identification of other sources. The proposed facilities, infrastructure and estimated costs do not include soft costs such as design fees, land acquisition, legal review, inspection, permits; staffing apparatus for fire stations etc.... these items are allowable under Nevada Revised Statutes 278.02591. Such soft costs may be paid for by the City but are eligible for reimbursement if funds are available.

There currently is no funding source identified to pay for those facilities and infrastructure not proposed for funding under the West Henderson PFNA. In order to construct these facilities and infrastructure possible sources of funding may include, but are not limited to LIDs, NIDs, City land fund, City general funds, the sale of municipal bonds, SNPLMA funds, grants, and/or negotiated developer obligations.

Phasing of Infrastructure

The phasing of infrastructure in West Henderson will be determined through a capital improvement plan that is updated annually. The projections used in this document from the West Henderson Plan are based on 35 years of development in the area. Therefore, while each of the facilities will be constructed based on need, construction of infrastructure will take place over the next 35 years.

ABSORPTION

An estimate on the absorption in the West Henderson as conducted based on historical information.

Since 2010 approximately 400 acres of residential, commercial, and industrial land has been developed per year in Henderson, of which approximately 15% has been in West Henderson. In the past 2.5 years, the proportion in West Henderson has increased to approximately 20%.

Based on this, it is projected that the percentage of development in Henderson that falls within the boundaries of the West Henderson Plan will continue to increase, given the availability of land relative to the rest of the City. For the purposes of this study, it was conservatively projected that West Henderson would capture approximately 35% of all development in Henderson.

If Henderson continues to see a level of development similar to what it has seen over the course of this decade and West Henderson captures 30-40% of that development, it would take approximately 35 years for the land currently planned for residential and employment generating uses to develop.

This translates to approximately 500 dwelling units per year and 40 acres of non-residential development (includes employment center) over the next 5 years which would ramp up to 750 dwelling units per year and 60 plus acres of non-residential development per year in year 6 and beyond.

Based on these numbers and using simple straight line absorption over the West Henderson Plan life of 35 years, 2.86% of the residential units and 2.86% of the non-residential square footage will be permitted per year. The following is an estimate on phasing of infrastructure roughly based on 5-year increments; however, we anticipate having enough funding for the first phase in 2018:

- 2018 – An estimated \$6.8 million dollars will have been collected and the first 10 acre neighborhood park would be constructed.
- 2020 – An additional \$5.2 million and an additional 10 acres of park space would be constructed.
- 2025 – An estimated \$27 million or \$16 million additional dollars will be available for the initial phase of the Central Community Center and Police Station. This facility is estimated at \$36 million so it would be phased.
- 2030 – A total of \$46 million will be in the fund (less previously spent) with \$19 million available to finish the Central Community Center.
- 2035 – An estimated \$71 million will be funded less previously spent the available budget is about \$25 million, this will complete multipurpose fields at the Central Community Center and build another 2 neighborhood parks or the West Fire Station.
- 2040 – About \$102 Million will have been collected and \$31 million will be available to complete neighborhood parks.
- 2045 – An estimated \$143 million will have been collected and \$41 million available for additional parks and open space.
- 2050 – The final 5 years of the plan show \$194 million being collected and \$51 million available for completion of outstanding items.

These absorption estimates assume that nothing changes regarding how federal lands are conveyed. Any future policy change by the BLM has the potential to impact absorption, funding sources and therefore may delay delivery of infrastructure and facilities. In addition, the above, estimates are based on numerous criteria that are subject to change. It is possible that demands for future infrastructure may outpace available funding. In such case, the City has not identified a source of funding to construct facilities or infrastructure prior to acquiring funding through West Henderson PFNA contributions.

SUMMARY

Staff will prepare an annual report to the DSC Advisory Committee that will include an update on the pending need of each facility and whether or not initiation of any project to construct is anticipated to begin over the next year. The early development is typically residential in nature with retail, commercial and industrial following. Based on the projected absorption, the first facility would be 5 to 10 acres of park in 2018-2019. The actual facilities built will follow the current approved planning process; after identification of funding a preliminary design will commence and a combination of public outreach and Board or Commission review will occur. It is envisioned the Police and Fire Stations will be similar to the current City facilities and the Parks and Recreation Center will be an amalgamation of design elements that are most popular from other city parks, context and location sensitive design and maximizing our investment.

Process

The intent of the process described below is not to replace normal practices for development in the City of Henderson. This means that in addition to the contribution discussed in the West Henderson PFNA, developers may be responsible for other development related infrastructure necessitated by the proposed development including, but not limited to: off-site improvements pursuant to NRS 278.462, traffic signal contributions, utilities contributions, and/ or flood control infrastructure and facilities

ANNUAL REVIEW

Upon the anniversary of the adoption of the ordinance for the West Henderson PFNA and every year thereafter until all contemplated projects are completed, City staff will provide an annual report for review by the Development Services Advisory Committee. The report shall contain:

1. Updated projections for:
 - a. Dwelling units
 - b. Population
 - c. Non-residential square-footage
 - d. Absorption
 - e. Phasing of Infrastructure
2. Fund Report – Status on the amount of contributions for the year and the balance of the fund.
3. Proposed Adjustments to Contribution –Adjustment of the contribution in the West Henderson PFNA up to a maximum of 5% (up or down) may be approved by the City Manager. Increases or decreases in the contribution may be based on a number of variables including identification of new funding sources or increase in infrastructure costs.
4. Facility Adjustment – Report on whether the City will add any of the infrastructure from the non-funded list to the funded list.
5. Construction Status – If applicable, an updated status on construction of facilities identified for funding in the West Henderson PFNA.

DEVELOPMENT AGREEMENT

The parcels within a Public Facilities Needs Assessment Area Plan are subject to a development agreement pursuant to section 19.6.10 of the Henderson Development Code and NRS 278.02592. The Development Agreement Advisory Committee (“DAAC”) will decide on the following:

1. Standard Form Development Agreement

The DAAC may require an applicant to execute a standard form development agreement. Unless otherwise agreed, in writing a standard form development agreement would be processed in the same timeframe as entitlement applications.

2. Negotiated Development Agreement

The DAAC may require an applicant or an applicant may elect to negotiate all aspects of a development agreement or portions of the standard form agreement. A negotiated development agreement would take longer to develop and would therefore expand the typical timeframes for entitlement applications. Related entitlement applications would not proceed to Planning Commission or City Council without a fully negotiated and executable development agreement.

COLLECTION OF REQUIRED CONTRIBUTION

Prior to the issuance of any building permit for the construction of any residential dwelling unit or non-residential square-footage the applicant for such building permit shall pay to the City of Henderson the contribution. The contribution required will be based on the established contribution at the time of issuance of the building permit.

PUBLIC FACILITIES NEEDS ASSESSMENT FUND

All of the contributions collected and all of the interest that accrues shall be forwarded to the City Finance Director who shall credit the same to the special revenue fund that is created to receive and account for the same.

The money in such special revenue fund shall be accounted for collectively and shall be applied towards the costs for constructing infrastructure and facilities identified in the West Henderson PFNA.

Conclusion

The development of West Henderson is expected to occur over the next 35 years, and it is difficult to predict if that timeline will be longer or shorter depending on variables outside of the City’s control. The initial contribution will allow for development in West Henderson to continue in a predictable, expeditious, transparent, and equitable manner, which is beneficial to both the development community and the City.

The annual review process and potential for adjustments in the contribution is a transparent model that will allow for adjustments that make sense, are vetted by an industry committee, and are based on current trends and information available.

Exhibits

Exhibit A – West Henderson Public Facilities Needs Assessment Area Plan Boundary

Exhibit B – Map of Facilities

Exhibit C – West Henderson Trails and Watersheds Map

Exhibit D – PFNA Contribution Table – (NOT A MAP)

Exhibit E – Parks Service Radius Map

Exhibit F – West Henderson Land Use Plan as adopted in December 2014