



## The Nevada Policy Research Institute

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Contact Andy Matthews  
(702) 222-0642

### **Study: Nevada's redevelopment system needs reform**

Nevada's urban redevelopment agencies and particularly the City of Las Vegas Redevelopment Agency (LVRDA) have allocated hundreds of millions of tax dollars over the past several years toward subsidizing private developers, which has increased citizens' tax burden and fostered corruption, a new study finds.

Geoffrey Lawrence, fiscal policy analyst at the Nevada Policy Research Institute and the author of the study, details in a new analysis how local governments can best encourage private development by streamlining regulation and getting out of the way of private industry. The study is available online at [http://npri.org/docLib/20090129\\_Rolling\\_the\\_Dice.pdf](http://npri.org/docLib/20090129_Rolling_the_Dice.pdf).

The study comes two days after Clark County Commissioner Chris Giunchigliani proposed shutting down the county's redevelopment agency and a week after the Culinary Union filed two petitions to limit the LVRDA's ability to authorize new projects.

Redevelopment agencies systematically channel tax dollars away from school districts, police departments and fire departments, Lawrence finds. He adds that redevelopment agencies "expose taxpayers within redevelopment zones, who are often low-income families, to burdensome amounts of debt in order to subsidize large-scale developers."

Nevada's redevelopment model "further creates opportunities for corruption by making public officials responsible for taxpayer funds that are explicitly designated for disbursement to private developers," Lawrence writes. "Moreover, redevelopment agencies in Nevada are designed to endow local officials with powers that are not legally vested in them by the voting public and can insulate the actions of local officials from public scrutiny."

The report concludes that the city of Anaheim, Calif., offers a better model for how to encourage development. "Anaheim identified a host of ways in which the government itself was *preventing* private investment in the redevelopment zone," Lawrence reports. He adds that the city was able to increase property values by 800 percent in less than 30 months by finding ways to remove those government obstacles to development, including onerous zoning restrictions and mandates.

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