

BOULDER CITY BALLOT QUESTION NO. 3

An Advisory Question to the People of the City of Boulder City

Shall the City sell approximately 46 acres of certain commercial property located west of Yucca Street in the industrial area of Boulder City, from which the proceeds shall be placed into the Capital Improvement Fund to assist in funding the City's share of the cost of constructing the 3rd intake for water from Lake Mead?

Yes

No

EXPLANATION

Pursuant to the Boulder City Charter, the City may sell City-owned land of more than one acre in size with the approval of the voters. All proceeds from the sale of City-owned land are required by the Charter to be placed into the City's Capital Improvement Fund. Funds from the Capital Improvement Fund may only be expended with voter approval. The voters have previously approved using funds from the Capital Improvement Fund, as they become available, for the purpose of funding the City's share of the cost of constructing the 3rd intake for water from Lake Mead. No other source of funding to pay the City's share of the cost of constructing the 3rd intake for water from Lake Mead has been currently identified or proposed.

Approximately 46 acres of City-owned land located west of Yucca Street in the Boulder City industrial area would be developed into smaller commercial lots and offered for sale to encourage small businesses to locate within the Boulder City industrial area. The proceeds from the sale of these commercial lots would then be placed into the Capital Improvement Fund and earmarked for funding the City's share of the cost of constructing the 3rd intake for water from Lake Mead.

This is an Advisory Question. The result of the voting on this question does not place any legal requirement on the City of Boulder City, any member of the Boulder City Council, or any officer of the City of Boulder City.

A "YES" vote would allow the City to proceed with the sale of approximately 46 acres of commercial property in the industrial area of Boulder City west of Yucca Street, with the proceeds to be placed into the City's Capital Improvement Fund to be used to fund the City's share of the cost of constructing the 3rd intake for water from Lake Mead.

A "NO" vote would not allow the City to sell commercial lots in the industrial area for this purpose.

ARGUMENT FOR PASSAGE

On June 5, 2007, the voters of Boulder City approved the use of monies from the Capital Improvement Fund to pay for Boulder City's mandatory share of the 3rd intake for water from Lake Mead, better known as "the third straw." At the same time, they rejected the sale of *residential* land at Bristlecone and Adams to pay for it.

A "YES" vote on Ballot Question No. 3 will approve the sale of approximately 46 acres of commercial and industrial land west of Yucca Street in the industrial area of Boulder City. This is not residential land. It is in-fill *industrial* land that has no affect on the slow-growth ordinance of the City. A "YES" vote will help to enhance business development and the business climate in Boulder City. More businesses translate into new job opportunities. A "YES" vote will add needed tax revenue for Boulder City services.

A "YES" vote on Ballot Question No. 3 will help offset the cost of building the third straw. If we do not increase the Capital Improvement Fund, it is estimated that water rates could increase as much as 40%. A "YES" vote will add much needed revenue into the Capital Improvement Fund to help pay for voter approved expenditures. Boulder City residents enjoy much lower tax and utility rates than Henderson and Las Vegas due to smart and forward-looking actions of our citizens and our City Councils.

Boulder City residents have adamantly defended our slow-growth ordinance and our gaming ban. Without those classic Nevada revenue streams, Boulder City has limited options. We should look to use our biggest asset, our land, instead of raising water rates, increasing our taxes, and/or borrowing money, which only makes the price go up with interest and fees for this needed 3rd straw capital project.

Boulder City is faced with the same escalation of costs as cities and towns across America. We have the ability to defray some of those costs. The decisions we make today will dictate the Boulder City that we leave to our children and grandchildren.

Vote "YES" on Ballot Question No. 3. Protect our water resource. Prevent large utility rate increases. Protect the future of Boulder City.

Submitted by Ballot Question Committee as provided for in NRS 295.217

REBUTTAL TO ARGUMENT FOR PASSAGE

Do not be misled by those who will profit from this sale at our expense. Boulder City residents have *repeatedly* rejected land sales to pay for the City's fiscal irresponsibility. This proposed sale is no different.

Other options exist to pay for the 3rd straw. Since this is a utility asset, the Utility Fund should pay for it, not the Capital Improvement Fund. Additionally, Boulder City is joining the Southern Nevada Water Authority (SNWA) to finance its portion of the 3rd straw for 20 years with a more favorable interest rate.

Land sale supporters advocate selling land or having utility rates increased. Utility rates will increase in October 2008 regardless of the outcome of this ballot question.

Taxes from these businesses will **not** be available to support the City's General Fund. This land is located in the Redevelopment Agency (RDA) area.

Land sale proponents want to confuse you. Preserving this land has nothing to do with gaming, slow-growth, or water conservation. Development of approximately 46 acres will only stretch our limited water resources and City-provided services.

Vote "NO" to protect Boulder City's most valuable resource. Vote "NO" to protect our precious land.

Submitted by Ballot Question Committee as provided for in NRS 295.217

ARGUMENT AGAINST PASSAGE

Boulder City residents must vote "NO" on Question No. 3. Selling industrial site land to pay for the 3rd straw is not the best solution for us now. With real estate values dropping so rapidly, selling approximately 46 acres at depressed values is not a wise economical decision. In fact, selling these parcels could create, not solve problems for Boulder City and its residents.

The approximate 46 acres in question will be subdivided into many parcels. These parcels will be sold to businesses with "Light Industrial" zoning. Although the area is currently zoned Industrial, a precedent exists for changing zoning to multifamily for constructing condominiums.

The Veterans State Home is located near some of the proposed parcels; this is the only Veterans' Home in Nevada and is home to 180 wartime veterans. Certainly our Veterans deserve better than the traffic, noise, light, and air pollution that could be created from businesses located so closely to them.

Currently, the main access would only be from Industrial Road via Veterans Memorial Drive or Yucca Street. The intersection at Yucca Street and Nevada Highway is already dangerous since there is no traffic light. These intersections will become even busier when the new Hoover Dam bypass bridge opens in 2010. The dam bypass bridge is estimated to bring an additional 2,000 trucks every day through these two intersections. Selling these 46 acres will only add traffic and congestion to Nevada Highway and adjoining intersections.

These parcels are located in the Redevelopment Agency (RDA) area which means property tax revenue will be transferred to the RDA fund. As a result, public safety and parks and recreation will not benefit from the increased tax base; yet Boulder City will have to provide essential services to them.

Significant utility increases are being implemented in our next budget cycle. Some of this revenue will be used to pay for the 3rd straw. Additionally, Boulder Creek Golf Club will be making annual payments of \$750,000 to repay the loan from the Utility Fund. These funds should be used to pay for the 3rd straw.

Boulder City residents have voted consistently in the past that selling Boulder City's open space is not a solution to the City's financial obligations. Boulder City residents MUST VOTE "NO" on selling land as proposed.

Submitted by Ballot Question Committee as provided for in NRS 295.217

REBUTTAL TO ARGUMENT AGAINST PASSAGE

A "YES" vote on question No. 3 does not authorize the selling of our "open space" as characterized by the opposition – a "YES" vote on Ballot Question No. 3 authorizes the selling of approximately 46 acres of land within the City footprint that is designated in our Master Plan as "Industrial." This sale amounts to an area of approximately 0.000035% of Boulder City.

Municipalities throughout the country are facing severe financial challenges because of circumstances beyond their control. We, the residents of Boulder City, are lucky we have a resource that can help us weather the storm – our land.

The approximate 46 acres in question are in the industrial area. There are no multifamily dwellings. So, this area will remain zoned for "Industrial." Any zoning issues can be precluded with appropriate restrictive wording in the sales agreement.

The purpose of this sale is to help pay down debt and defray some of the cost of Boulder City's portion of the 3rd straw construction. The opposition is asking you, the residents of Boulder City, to pay for the 3rd straw out of your own pocket.

Vote "YES" on Ballot Question No. 3.

Submitted by Ballot Question Committee as provided for in NRS 295.217

DESCRIPTION OF ANTICIPATED FINANCIAL EFFECT

The value of the undeveloped land in the industrial area that is the subject of this question has not been established. If this question is approved by the voters, two independent commercial property appraisals will be obtained and subsequent thereto, the minimum value per square foot will be established. Therefore, the value of the proposed sale of this undeveloped land in the industrial area cannot be established at this time. Any expense related to this question will not require the levy or imposition of a new tax or fee or the increase of an existing tax or fee.