



Meeting Date: 01.03.2018
Agenda Item: # _____

Mission Statement

To provide our growing dynamic community excellent municipal services to make Fernley a great place to live, work, and play. Together, we enhance the desirability, safety, friendliness, aesthetics and quality of life in our city.

CITY OF FERNLEY CITY COUNCIL MEETING STAFF REPORT

REPORT TO: Mayor & City Council
REPORT BY: Daphne Hooper, City Manager
REVIEWED BY: Brent Kolvet, City Attorney
REVIEWED BY: Denise Lewis, Finance Director
AGENDA ITEM: Discussion and possible action to provide direction to staff regarding the potential conveyance of federal land, as established in the Federal Lands Bill, for economic development by Artisan Homes.

ACTION REQUESTED: ___ Consent ___ Ordinance ___ Resolution X Motion ___ Receive/File

RECOMMENDED ACTION BY CITY COUNCIL

"I move to direct staff to proceed (or not) with the conveyance process for Federal Land for economic development purposes by Artisan Homes."

Policy Alternatives:

The City Council could take the following alternative actions:

- Direct staff not to move forward until the Master Plan is complete for the area.
- Request additional information

Key Points:

1. The Fernley Lands Bill was approved by Congress on December 19, 2014
2. An MOU between the City of Fernley and BLM on November 2, 2016
3. Artisan Homes has requested access to two parcels identified in the Lands Bill for Economic Development purposes
4. Staff is requesting direction from Council whether to proceed with the request from Artisan Homes and the conveyance of two (2) parcels (1240 acres) identified in the Lands Bill.
5. A process would be established to complete an agreement and establish a trust account with the City to have an outside consultant work on the process.
6. Staff is requesting direction from Council before moving forward with establishing the trust account and a formal agreement.

POLICY REFERENCE

Nevada Statutes: NRS 268.063

*Fernley Municipal Code:*FMC Title

Policies & Procedure Manual: N/A

Community Assessment: N/A

Other:

SUPPORTING INFORMATION

On December 19, 2014, the National Defense Authorization Act (Act) was signed into law (Public Law 113-291). Included in this Act is Section 3009(c) titled, "Conveyance to the City of Fernley, Nevada," which is commonly referred to as the "Lands Bill." Under section 3009 (c)(2), the Bureau of Land Management (BLM) is required to convey to the City of Fernley approximately 9,779 acres of Public lands.

An MOU has been executed which establishes a relationship between the BLM and the City regarding the respective roles, responsibilities, conditions, and procedures for a land conveyance, which includes compliance with the National Environmental Policy Act (NEPA), the National Historic Preservation Act (NHPA), and any other federal law(s) applicable to the project.

The MOU provides guidelines for projects moving forward, particularly economic development projects. While the City does not have funding to complete the required NEPA, NHPA, and other regulatory processes, this agreement outlines the specific steps needed and will help establish a guideline when coordinating with developers interested in projects within the designated areas.

The City has been approached by Artisan Homes requesting to acquire two (2) parcels identified in the Lands Bill. This process would require the city to establish an agreement with the developer to fund the costs for required assessments and surveys on approximately 1240 acres.

The City must comply with the requirements outlined in the Nevada Revised Statutes regarding the disposal of public property. The City will be paying Fair Market Value for the property, and the City will acquire full ownership of the property. As the process moves forward, staff will ensure all requirements are met, and the City Council is provided with the appropriate documentation to make necessary approvals and have a clear understanding of the funding mechanisms needed for full implementation.

City Council directed staff to have further discussions with the developer. An agreement would need to be approved by Council before moving forward. Artisan Homes has requested to establish a trust account with the City, which would provide funds for an outside consultant to work through the process. A formal agreement would be established between Artisan and the City, should the Council provide direction to move forward.

Previously, the Council discussed the need to complete the master plan to have a better understanding about development throughout the City. The Master Plan is currently being updated; however, it will not be completed until mid-late 2018.

Staff is requesting direction from the Council whether to move forward with discussions with Artisan Homes and present the final agreements, resolutions, and plans for final approval by Council.

FINANCIAL INFORMATION

FISCAL IMPACT:

1. Is there a Fiscal Impact? No
2. Is it Currently Budgeted? No
3. If Budgeted, Which Line Item/Account?

FISCAL SYNOPSIS:

There is no fiscal impact for direction from Council.

PRIOR COUNCIL ACTION/REVIEW

December 19, 2014 – Congressional Action passing the National Defense Authorization Act

November 2, 2016 – Approval of the MOU between the City of Fernley and BLM

July 5, 2017 – Council directed staff to proceed with the conveyance process for federal land, for economic development by Artisan Homes.