# **Laughlin Water Moratorium**



A Moratorium is "a <u>temporary</u> prohibition of an <u>activity</u>" (Water District is allowing no water available for new vacant land development<sup>\*</sup>) \*NO Water → NO new Development → NO new Hookup Fees or Rate Payers → Reduced Property Values

## **Reduced Vacant Land Property Values are Collateral Damage!\***

Reduced Frivate Froperty Values = Reduced Froperty Jax Revenues = Reduced Jown Services!

<u>ATTENTION</u> – Reduced Property Tax Revenues should be of concern to:

- Everyone enjoying/counting on Laughlin Town services funded by Property Tax Revenues (*police*, *fire*, *education*, *parks*, *etc.*).
- Everyone with jobs providing the above services.
- Everyone who cares about either or both of the above.

\* Assessor didn't do it! – Lost Tax Revenue is a result of the Water District's Moratorium!

### **<u>BYTHE WAY</u>** + **Per the Assessor 's info, it's estimated that:**

- \$56,000 Tax Revenues were lost Last Year.
- \$271,000 Tax Revenues are lost This Year.
- \$527,000 Tax Revenues will be lost Next Year.
- Escalating Annual Tax Revenue losses will continue in future years, until the Moratorium is mitigated and lifted by the Water District. Please see the following "Laughlin Water Mortarium Review."

<u>WHAT TO DO?</u> – Take it Serious! – Get Involved! – Take Action! – Stakeholders could:
1. Pressure Water District to "get involved," and reactivate the Casino Dr SID (for starters), with revisited demand, design and cost criteria, and an honest Plan/Timeline for Moratorium mitigation.
2. Facilitate Independent Audit of LVVWD practices to identify Moratorium causes and solutions.
3. Litigate lost Property Values for Lagoon improvement expenses and vacant land "Adverse Condemnation" losses due to the Moratorium.
4. <u>DO NOTHING</u>, and accept No Water and No Community growth, along with ongoing,

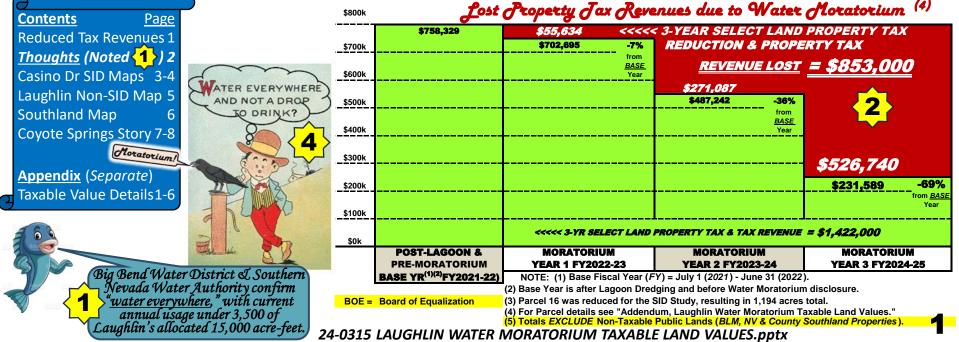
indefinite and increasingly reduced Vacant Land Values and reduced Town Services!

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## Laughlin Water Moratorium Review (1 **Reduced Vacant Land Property Values are Collateral Damage!**

### Reduced Frivate Froperty Values = Reduced Froperty Jax Revenues = Reduced Jown Services!

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	Ş	Selected F	Properties	w/ Reduced	Taxak	ole Values <sup>(4)</sup>	Acres	BASE YEAR <sup>(1</sup>	<b><sup>,2)</sup></b> FY2021-22	YEAR 1 FY	2022-23	Change	YEAR 2 FY2	2023-24	Change	YEAR 3 FY	2024-25	Change
			CASIN	O DRIVE WATE	r sid /	AREA 1-43 TOTAL(3)	1,348	\$37,933,801	\$28k/ac	\$33,950,617	\$25k/ac	-11%	\$21,118,701	\$16k/ac	-38%	\$10,838,020	\$8k/ac	-49%
	s		IMPR	OVED LAGOON	N PROF	PERTIES A-C TOTAL	8	\$1,741,500	\$225k/ac	\$1,161,000	\$150k/ac	-33%	\$387,000	\$50k/ac	-67%	\$387,000	\$50k/ac	0%
	and	<u>^</u>	L	AUGHLIN BAY	MARIN	A AREA D-K TOTAL	43	\$5,484,255	\$128k/ac	\$5,484,255	\$128k/ac	0%	\$1,416,308	\$33k/ac	-74.2%	\$1,082,966	\$25k/ac	-23.5%
	e L			NEEDLES HIG	HWAY	AREA 44-56 TOTAL	123	\$4,063,304	\$33k/ac	\$4,063,304	\$33k/ac	0%	\$4,063,304	\$33k/ac	0%	\$1,616,740	\$13k/ac	-60%
	ivat	K 🖊 /~	MOHAVE G	ENERATING ST	ATION	AREA 57-64 TOTAL	1,812	\$8,284,957	\$5k/ac	\$8,284,957	\$5k/ac	0%	\$8,284,957	\$5k/ac	0%	\$3,425,823	\$2k/ac	-59%
	P		W	OODBURY PAR	RKWAY	AREA 65-70 TOTAL	215	\$4,083,000	\$19k/ac	\$4,083,000	\$19k/ac	0%	\$4,083,000	\$19k/ac	0%	\$1,442,620	\$7k/ac	-65%
		NORTH	CASINO DRIV	E BOE APPEAL	_ AREA	158-160 TOTAL	15	\$615,712	\$40k/ac	\$615,712	\$40k/ac	0%	\$615,712	\$40k/ac	0%	\$204,291	\$13k/ac	-67%
<mark>N-TAXABLE</mark> blic Lande <sup>(8)</sup>	9		USA BURE	AU OF LAND MAN	IAGEME	NT AREA 71-97 TOTAL	7,870	\$78,560,142	\$10k/ac	\$78,560,142	\$10k/ac	0%	\$78,560,142	\$10k/ac	0%	\$32,243,752	\$4k/ac	-59%
	<b>P</b>	< <b>3</b> >	NEVA	ADA STATE WILDI	LIFE LA	ND AREA 98-99 TOTAL	55	\$1,099,800	\$20k/ac	\$1,099,800	\$20k/ac	0%	\$1,099,800	\$20k/ac	0%	\$373,934	\$7k/ac	-66%
	ב	NEV	ADA STATE SC	UTHLAND WATE	RFRONT	AREA 100-115 TOTAL	1,109	\$27,885,970	\$25k/ac	\$27,885,970	\$25k/ac	0%	\$27,885,970	\$25k/ac	0%	\$9,596,247	\$9k/ac	-66%
		CLA	RK COUNTY S	OUTHLAND RESIL	DENTIAL	AREA 116-130 TOTAL	1,891	\$1,996,115	\$1k/ac	\$1,996,115	\$1k/ac	0%	\$1,996,115	\$1k/ac	0%	\$1,891,809	\$1k/ac	-5%
2	2		CLARK COUI	NTY SOUTHLAND	COMME	ERCIAL 131-157 TOTAL	7,647	\$11,377,116	\$1k/ac	\$11,377,116	\$1k/ac	0%	\$11,377,116	\$1k/ac	0%	\$7,707,254	\$1k/ac	-32%
	WATER MORATORIUM			TOTAL <u>TAX/</u>	DTAL TAXABLE LAND VALUE <sup>(5)</sup> =		3,564 acres	\$62,206,529		\$57,642,845		-7%	\$39,968,982		-31%	\$18,997	460	-52%
WATER MORATORIUM <b>TOTAL <u>ASSESSED LAND VALUE<sup>(5)</sup></u> @</b>			35%	\$21,772,285		\$20,174,996		from <u>PRIOR</u> year	\$13,989,144		from <u>PRIOR</u> year	\$6,649,111		from <u>PRIOR</u> year				
WATER MORATORIUM PROP. TAX & TAX REVENUE <sup>(5)</sup> @					0.03483	\$758,329		\$702,695			\$487,242			\$231,589				
PROPERTY TAX REDUCED FROM BASE YR = LOST TAX REVENU					E <sup>(5)</sup>	\$0		\$55,634		\$271,087			\$526,740					
						24-0315 APPENDIX	to "Laughl	in Water Moratoriu	m Taxable Lan	d Values".xlsx								



## Laughlin Water Moratorium Observations & Thoughts

## Las Vegas Valley Water District IS responsible for the Vacant Land Moratorium.

• *LVVWD operated Laughlin's Big Bend Water District (BBWD)* by Management Agreement since 2008 reportedly (*admittedly*) in non-compliance with applicable fire-flowbased water storage requirements, without deterring any development activities – Laughlin life went on until the Casino Drive SID failure, due in large part to the excessive design criteria and development Moratorium of late 2022 and early 2023 (*see Pg 3*).

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- A Moratorium is "a temporary prohibition of an activity (development)" – now, with NO identifiable LVVWD corrective activities, intentions or timelines, the question is "when does temporary become permanent and the Moratorium becomes a 'Taking of Value' subject to Inverse Condemnation litigation?"
- Water's NOT the issue! BBWD (LVVWD) & Southern Nevada Water Authority confirm water availability – the issue is that LVVWD failed to maintain sufficient water storage tanks and distribution facilities (pipes).
- Accountability IS the issue! <u>Independent</u> <u>Audit of LVVWD's BBWD management</u> <u>activities and cost allocations</u> would likely reveal the causes of the above shortcomings and the effects of proper and timely corrective action – this might be facilitated by the BBWD Board of Trustees OR litigation by effected property owners and Stakeholders.

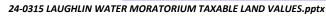
### Reduced Private Property Values and Public Services are Collateral Damage of Water Moratorium.

- We do know that, compared to the Pre-Moratorium Base Year, Laughlin Property Tax Revenues will be down \$853,000 for the first 3 years of the Moratorium -- down \$56,000 last fiscal year, down \$271,000 this fiscal year and down \$527,000 in FY2024-25 -- who knows? -- but likely more thereafter! (see Pgs. 1 & 4-6)
- We don't know just how those shortcomings are allocated -but imagine \$527,000 worth of deferred and/or eliminated Community Services next year (police, fire, education, etc.) as the result of lost Tax Revenues!

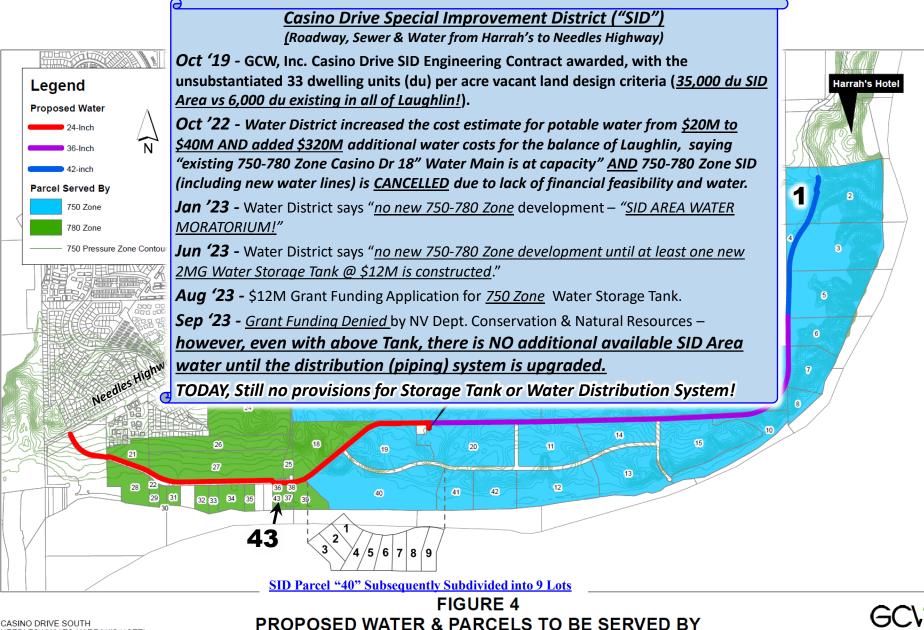
#### Reduced Public Property Values = Reduced Land Sales Revenue Potential = Reduced Laughlin Asset Values:

- USA BLM @ -59%; NV State Wildlife @ -66%; NV Southland Waterfront @ -66%; and, County Southland Commercial @ -32%. (*see Pg 1*)
- Maybe, the County should "get involved" and reactivate and complete the Casino Drive SID?
  - Terminated after working 3 years and spending nearly \$500k of the Community's Fort Mohave Development Fund money on engineering, AND now giving cause to <u>Lagoon Litigation & Inverse Condemnation</u> actions – it would be a good first step toward making things right and restoring land values, lost Property Tax Revenues and Town Services.
  - IF NOT, "Remember the <u>Alamo Coyote Springs Story</u>!"

     <u>"a Worst Case Scenario?</u>"-- a planned 3,000-acre, 10,000-home project 50 miles north of Las Vegas in Clark County development began in 2005 and now <u>18 years later</u>, after various agency approvals and a \$200 million land development investment, is held up in the NV Supreme Court <u>LVVWD</u> and NV Wildlife are challenging a lower court's 2020 development approval, due to alleged over-allocation of ground water rights and a 4" endangered "Moapa Dace" fish. (see Pgs. 7-8)



# **Casino Drive Former SID Area and Background**

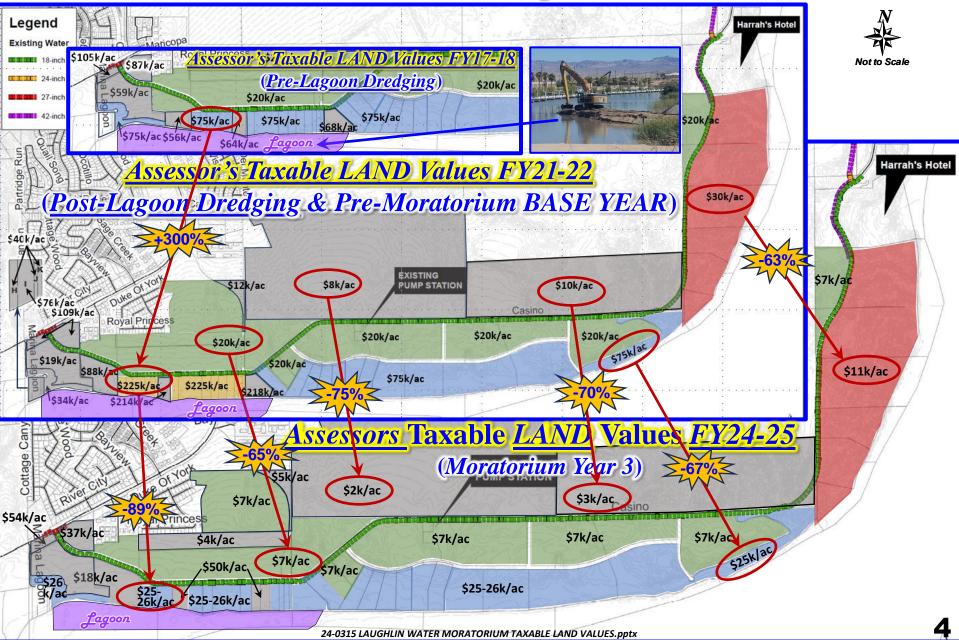


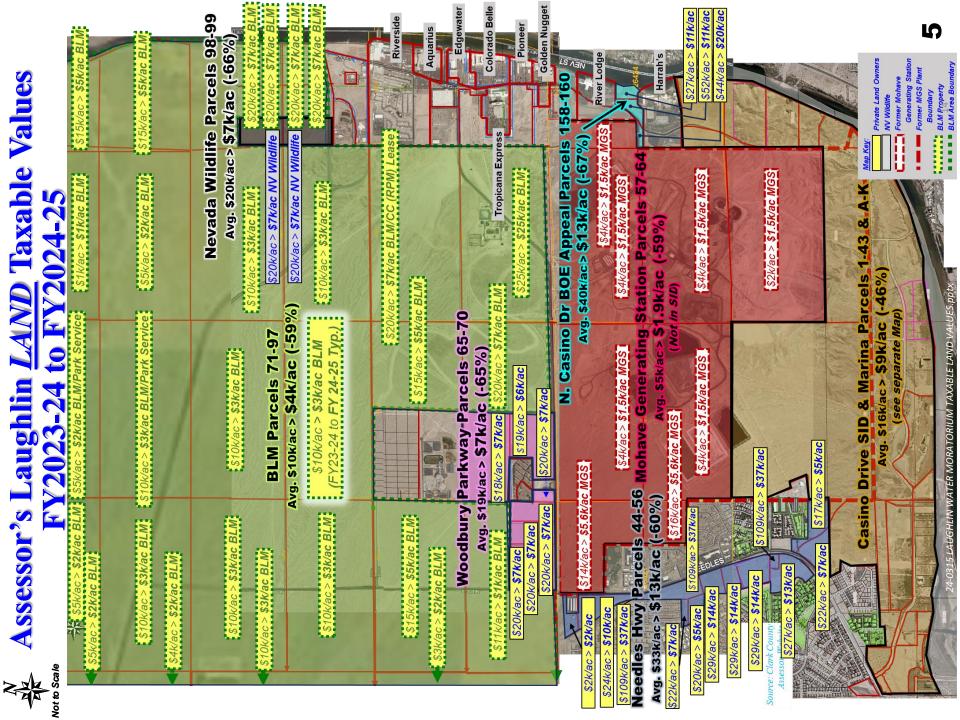
CASINO DRIVE SOUTH NEEDLES HWY TO HARRAH'S HOTEL F:Projects/500/500-902/Division/WatriExhibits

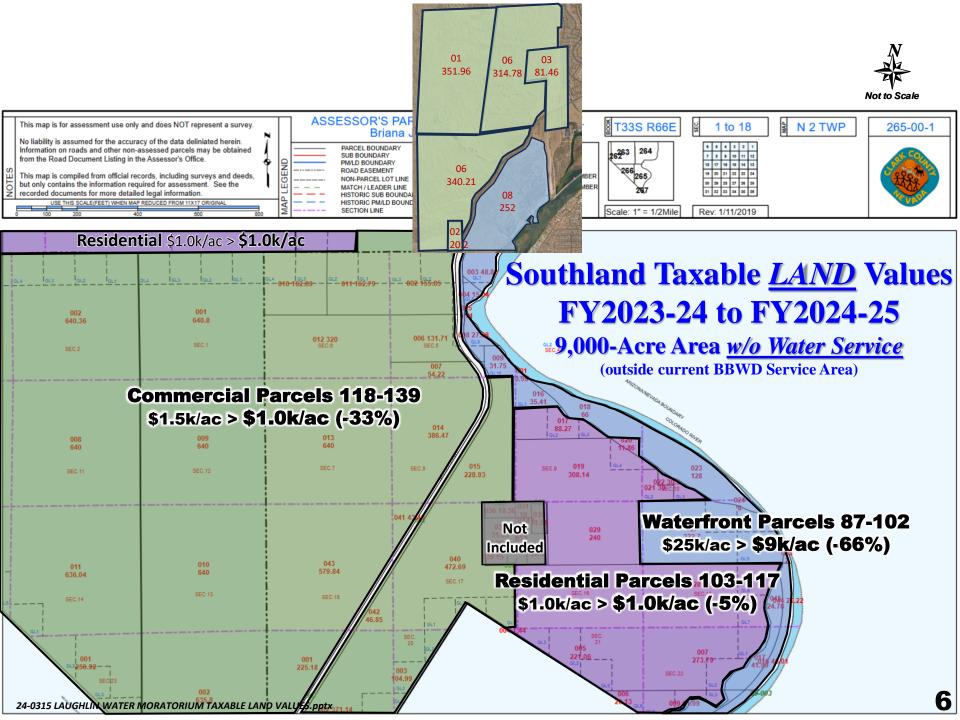
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## **Laughlin Water Moratorium** SID Area Taxable *LAND* Value Changes FY2017-18 to FY2024-25









Coyote Springs, Nevada, is a master-planned golf course

community50 miles north of Las Vegas, initially planned for 10,000 homes on 3,000 acres in Clark County, planned by developer and attorney-lobbyist Harvey Whittmore and Pardee Homes, but now owned by Thomas Seeno and Albert Seeno, Jr. Coyote Springs' water comes from an underground aquifer, and the community has access to 4,140 acre-feet (*1.3 billion gallons*) of water rights annually.

A \$40 million Jack Nicklaus Signature Golf Course is Coyote Springs' only "*attraction*." Construction began in 2005 and it opened in 2008. The golf course uses 1,100+/- acre-feet of raw water annually, and will use recycled water once homes are built and Coyote Springs' wastewater treatment plant is operational.

*July 5, 2006* was official ground breaking for the community itself and construction began. However, regulatory issues involving water rights and environmental matters delayed construction, and an economic recession in the United States placed construction plans on hold. As it turned out, <u>NO</u> homes have been built to the date of this Story!

*February 2009*, the *Center for Biological Diversity*, an environmental advocacy group, announced plans to sue the *US Fish & Wildlife Service* and *the Bureau of Land Management* (BLM) for violations of the *Endangered Species Act*. The Center contends the Coyote Springs development and resultant loss of water resources and habitat would harm the endangered *Desert Tortoise* and potentially hasten the extinction of the endangered *Moapa Dace*, a 4-inch warm-water fish unique to Nevada and living in the Muddy River north of Las Vegas. Many years of environmentally-driven entitlement, mapping, permitting and legal battles ensued while, with some infrastructure approvals, the developer was attempting to proceed.

24-0315 LAUGHLIN WATER MORATORIUM TAXABLE LAND VALUES.pptx

*May 2018*, the Nevada State blocked continued development of Coyote Springs, based on an order setting the total area aquifer water usage cap at 8,000 acre-feet, but past state officials, over the last century, had awarded various businesses, landowners and governmental entities the rights to use nearly five times that amount of water. That's a problem!

*Coyote Springs argued* that the state's ruling, and decision-making pattern proceeding it, constitutes *inverse condemnation*, and the payment of just compensation is required. Coyote Springs sued the state (*the second time in two years*) after the State said it was not planning to approve subdivision maps for new homes because of the uncertainty around water availability. Coyote Springs further argued that the State changed the rules of the game, after it had spent more than \$200 million on the golf course and infrastructure, often with the approvals of State officials. The *Water District* was brought in as a participant.

*Also in 2018*, Coyote Springs sued the *Las Vegas Valley Water District*. Through what is known as a General Improvement District, the Water District was to serve as the purveyor for Coyote Springs. But since 2017, the *Water District* repeatedly raised concerns that there is not enough groundwater available in the area to support homes at Coyote Springs.

A Settlement Agreement resulted from the State lawsuit and eventually a <u>conditional approval of subdivision maps was granted in June 2020</u>. But the State still had not given its final approval to build new homes -- delays Coyote Springs described as "*unreasonable*." Two days after the courts ruling, the State recommended <u>denial of the conditionally approved maps</u> over water quantity concerns. That action prompted renewed litigation.

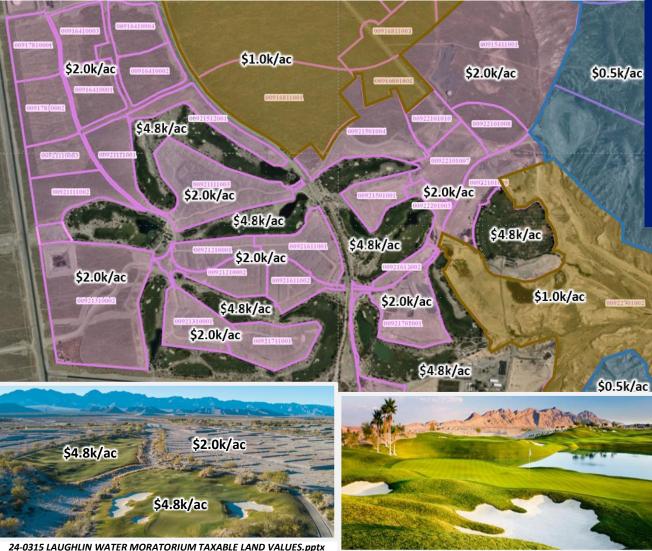
*In Oct 2022*, the Commission voted 7-0 to deny a 575-home subdivision map for Coyote Springs, since the *Las Vegas Valley Water District* had objected in a letter to the Commissioners saying "Water rights for Coyote Springs' development are '*insufficient*' because they cannot be used without '*conflicting*' with other rights or '*impacting*' the *Moapa Dace*."

August 17<sup>th</sup> 2023 the NV Supreme court began hearing arguments as to whether the State has the authority to manage the various water aquifers and restrict water use in favor of the Moapa Dace. There's NO date set for a decision, but it's expected to take months. *IF the Supreme Court* overturns the lower court's 2020 approval of development plans, Coyote Springs will still be in trouble, after 18 years and \$200 million invested! It's noted that the issues are different but the Water District is the same!

## Jhe Coyote Springs Story (2 of 2) FY2024-2025 Taxable Land Values Coyote Springs, Nevada, <u>w/o Water Service</u>

#### Note:

- Golf Course land is valued at \$4.8k/ac & NO Taxable Value is assigned to Golf Improvements.
- Adjacent <u>land</u> is valued at \$2.0k/ac, whether or not it contains Improved Lots, & NO Taxable Value is assigned to Lot Improvements.



#### <u>The Coyote Springs setting</u> has been characterized as Nature's Cradle — a magnificent valley surrounded by majestic mountains and peaks on all four sides.

To the north, south and east respectively, are the Delamar Mountains, the Arrow Mountains and Meadow Valley Mountains, each rising to an average elevation of 5,000 feet. And to the west, the Sheep Range, which reaches 9,000 feet into the sky, is snow-capped during the winter months and provides an amazing backdrop for peak season golfers.

This hallmark setting consists of rolling terrain overlooking a prehistoric riverbed-the Pahranagat Wash-which bisects the Coyote Spring Valley. To the east of the wash, rolling hills transition to a natural mesa commanding excellent views of the valley and surrounding mountain ranges. West of the wash, hills give way to flatter terrain with exceptional views of the mountains. Our serene golf course will be a much needed change of pace from the busy Las Vegas Strip.

Source: Coyote Springs Website

