

CARSON CITY REDEVELOPMENT AUTHORITY CITIZENS COMMITTEE

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A meeting of the Carson City Redevelopment Authority Citizens Committee was scheduled for 6:00 p.m. on Monday, October 5, 2009 in the Carson City Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Chairperson Robin Williamson
Vice Chairperson Stan Jones
Member Jed Block
Member Gary Cain
Member Mike Cowan
Member Dan Neverett
Member Gigi Valenti

STAFF: Joe McCarthy, Manager, Office of Business Development
Dan Doenges, Senior Transportation Planner
Tammy Westergard, Deputy Manager, Office of Business Development
Jano Barnhurst, Recording Secretary

NOTE: A recording of these proceedings, the committee's agenda materials, and any written comments or documentation provided to the recording secretary during the meeting are public record, on file in the Clerk-Recorder's Office. These materials are available for review during regular business hours.

A. CALL TO ORDER AND DETERMINATION OF QUORUM (6:00:08) - Chairperson Williamson called the meeting to order at 6:00 p.m. Roll was called; a quorum was present.

B. ACTION ON APPROVAL OF PREVIOUS MINUTES - (6:00:35) - Vice Chairperson Jones moved to approve the minutes of the July 6, 2009 meeting as written. The motion was seconded and carried unanimously.

C. MODIFICATION OF THE AGENDA (6:00:58) - Chairperson Williamson modified the agenda to hear item K(A) first, then item J.

D. PUBLIC COMMENTS ON NON-AGENDIZED ITEMS (6:01:00) - None.

E. DISCLOSURES (6:01:28) - Member Valenti disclosed that she is abstaining from the vote on item G, Paradise Cove Cafe.

F. DISCUSSION AND POSSIBLE ACTION ON A RECOMMENDATION TO THE BOARD OF SUPERVISORS CONCERNING A REDEVELOPMENT INCENTIVE APPLICATION BY TERRY POOR, OWNER OF THE BLUE BULL FOR FUNDING ASSISTANCE OF \$26,144.00 IN CONJUNCTION WITH HIS NEW REMODELING PROJECT AT 107 E. TELEGRAPH STREET. (6:14:45) - Mr. McCarthy introduced Terry and Lara Poor and presented background information. Mr. Poor advised that they purchased Heiss' Steakhouse in February and closed in May after a 90 day due diligence period. He explained that from the outset, there were concerns regarding the stairwell between their

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building and the building directly to the west. The stairwell faces the wrong way and building inspectors advised there would be an issue with the handicapped entrance. The buyers of the other building were going to handle it with assistance from the Poors but that purchase fell through and the Poors were left with the repairs. They like the location and are planning to open a neighborhood bar. They want to keep prices down and make it a fun place to bring people downtown. They went through two architects and five designs because of the handicapped issue and stairwell and finally received their building permits on Labor Day weekend. They could have placed the handicapped entrance in the front but it would have reduced their occupancy from 77 to 44. They paid \$310,000 for the property with another \$110,000 invested. They are asking for approximately \$26,000 for the stairwell improvements that they wouldn't have had to do if the stairwell had been properly installed. An additional \$4,200 was spent for an egress agreement. They are improving the other buildings and public property and need the funds for the handicapped entrance. They have spent their life savings and have stopped construction because they are running out of money. Chairperson Williamson commented that the Nevada Association of Counties was interested in buying the building next to Java Joe's and a second story to the fire escape stairwell was going to be a nice solution but then decided not to buy the building. In response to a question, Mr. Poor replied that Heiss' never had a handicapped entrance nor did the furniture store. He reiterated that they could have put a handicapped entrance in front but it would have reduced occupancy to 44. They are determined to get it done and plan to fix the facade and expand the rear next summer. In response to a question, he replied that some work needs to be done with the sidewalk, water meters and front porch. In response to another question, he replied that fixing the stairwell will allow them to open.

Mr. Benton advised that findings need to be made before the Board of Supervisors (BOS) and Redevelopment Authority (RA) can approve the incentive application and it may help them if RACC includes how their findings were reached. He explained the findings and **Member Cain moved to grant the money they are asking for with the noted findings RACC has to come up with. Member Neverett seconded the motion.** Member Valenti commented that there are some numbers on their financial statement that are understated and opined that they are going to be strapped if they don't get help. Assistance will benefit not just them but the rest of the community. Member Neverett added that of the seven items on the checklist, five are addressed by this project. Mr. McCarthy asked the maker of the motion to specify that the findings are a benefit to the redevelopment area and that no other reasonable means of financing are available. Chairperson Williamson said to let the record show they are in his motion and the second agreed. She then called for public comment but none was forthcoming. **Motion carried 7-0.** Chairperson Williamson advised that the incentive is approved by RACC but still has to go to the RA. Mr. McCarthy added that it's agendaized for the October 15 meeting and as part of the program, if the RA and BOS award the funding, it's on a reimbursement basis after the work is done. Chairperson Williamson thanked the Poors and wished them good luck. Member Block thanked them for being passionate about their project. Chairperson Williamson commented that the packets will be collected after the meeting in order to protect their privacy.

G. DISCUSSION AND POSSIBLE ACTION ON A RECOMMENDATION TO THE BOARD OF SUPERVISORS CONCERNING A REDEVELOPMENT INCENTIVE APPLICATION BY DOUG CRAMER, OWNER OF PARADISE COVE CAFE FOR FUNDING ASSISTANCE OF \$40,000.00 IN CONJUNCTION WITH HIS NEW RESTAURANT AND RETAIL PROJECT AT CARSON MALL. (6:31:50) - Mr. McCarthy introduced Doug and Jamesa Cramer. Mr. Cramer advised that he is

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half owner of Mom and Pop's Diner, has been working on the project for a long time and is ready to start as soon as possible. They had an idea for something different and will be serving lunch and an upscale dinner. In the early evening they would change the menu to something different for Carson City. They are also planning to do events.

Kevin Ray, Property Manager for Carson Mall advised that Mr. Carrington's vision of the property is to create a gathering place for musical and community related events and as such, has put millions into a remodel. The Stewart Street side houses Charley's Grilled Subs, LL Hawaiian Barbecue, and Paul Schatz Bakery. Paradise Cove Cafe finishes the first section and gives them an opportunity to expand an old building and create new retail. Their gift shop will be in the front section with doors opening into the mall which will bring in more foot traffic. There are not a lot of places to go for casual dining and a tropical theme can be sold very easily. It's a perfect public/private partnership and they've done a lot over the last year but need help to move forward. In response to a question, Mr. Cramer acknowledged that he's willing to put a lien on his home. Mr. Benton advised that the Policies and Procedures require a deed of trust or other suitable lien to secure their interest. In response to a question, Mr. Cramer replied that the business is located north of Schatz Bakery on Stewart Street and advised that they have spent a lot of money to give it the feel of a beach resort. Mr. Ray added that the restaurant and retail will enhance the area on Stewart Street, improve the look, and help adjoining businesses. Chairperson Williamson called for public comment. Mr. McCarthy advised there is enough money in the Redevelopment Incentive Program to award both projects. This will be the 44th project awarded in the incentive program of which \$3 million has been bonded. In response to a question, he replied there are different ways to secure their investment and will work with Mr. Benton to bring back that information. Mr. Cramer added that he will do everything he can to work with them. Member Block commented that doing something different to bring life back to the mall at night is a great idea. He suggested eliminating the social security numbers in the packets before they are distributed. **Member Cain moved to approve the request with all the necessary findings and certification of the lien. Member Neverett seconded the motion. Motion carried 6-0-1 with Member Valenti abstaining.** Mr. McCarthy advised that the incentive program is on a reimbursement basis after the work is completed according to the application. Member Neverett added that both applicants did a very good job in communicating their information to the RACC.

H. DISCUSSION AND POSSIBLE ACTION ON A RECOMMENDATION TO THE BOARD OF SUPERVISORS CONCERNING AN AGREEMENT WITH DAVE MORGAN, OWNER OF CARSON CITY NEWS TO PAY A MONTHLY FEE OF \$100.00 FOR A 530 AM VISITOR INFO BROADCAST. (6:46:58) - Chairperson Williamson advised that this was approved by the RACC several years ago as a partnership with the Carson City Convention and Visitors Bureau (CVB). Redevelopment and CVB each pay \$100 for the 530 AM visitors information broadcast. She added that all she gets on her radio is static and doesn't know if it's an effective use of marketing. In response to a question, Mr. McCarthy replied that he will conduct some research and report back to the RACC. Chairperson Williamson said that neither the CVB or the City can find a contract which is needed to go forward with the program. In response to a question, Chairperson Williamson reiterated that Redevelopment and CVB each pay \$100 per month. Mr. McCarthy added that Mr. Morgan lists everything that's going on in a recurring recording. Members Cain and Neverett both commented that they didn't know it existed. In response to a question, Mr. McCarthy replied that the recording is updated once a month and the City has been paying for the service for quite awhile. In response to a comment, Member Block replied that there are blue signs

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on the north and south ends of Carson City but expressed concern about how it's promoted. In response to a question, Mr. McCarthy recalled that the CVB is responsible for getting the word out and that it was a long time ago that the Committee agreed to it. Vice Chairperson Jones commented that he was not aware it existed and suggested deferring any action until Mr. McCarthy can obtain more information. Mr. McCarthy reiterated that he will report back at the next meeting. Chairperson Williamson deferred action until then.

I. DISCUSSION AND POSSIBLE ACTION ON A RECOMMENDATION TO THE BOARD OF SUPERVISORS CONCERNING AN AMENDMENT TWO TO THE SETTLEMENT AGREEMENT BETWEEN CARSON CITY NUGGET, INC., AND CARSON CITY REGARDING ABANDONMENT OF STREETS. (6:51:39) - Mr. McCarthy presented background information and advised that the City is working with the Nugget to design a more flexible settlement to utilize the \$440,000 in a potential mixed use project. The Nugget wants to move forward with pre-development work, hire engineering consultants and design professionals. He explained that it has always been redevelopment money paying for the settlement and this is some re-wording to give the Nugget more flexibility to pursue a quality downtown project. In response to a question, he replied that the \$440,000 was always designated as funds to settle the lawsuit which was agreed to by the BOS. Chairperson Williamson added that the determination of the BOS several years ago was that it would come from Redevelopment. She explained that because of the new Policies and Procedures, it's coming through, but there was never a chance for review or comment the first time. This will finance pre-development costs allowing some things to go forward. The funds have been set aside for use by the Nugget and can't be used for anything else. The agreement was amended last year to pay for power improvements for the ice rink and this is the third version. In response to a question, Mr. McCarthy confirmed that the agreement dictates it be used on redevelopment. Vice Chairperson Jones expressed concern that it should specify how the money is being spent. Mr. McCarthy replied that they are looking for flexibility to the way the settlement is written. If amendments weren't made to the settlement, the City would have to comply with the way it is now written. He reiterated that they are proposing a redevelopment project around the Nugget that would enhance downtown and want to use the money in service. In response to a question, Mr. McCarthy replied that the Nugget can use the entire sum for pre-development costs. Member Neverett expressed concern that it's that wide open. In response to a comment, Mr. McCarthy replied that as part of the agreement, they will be reporting to the BOS as to their use of the money. The opportunity to get a well designed project in downtown with help from the Nugget is a good upside. Chairperson Williamson clarified that it was anticipated several years ago that the Nugget would want to have Robinson Street widened and a street light installed. They don't want to be required to do those improvements which don't conform with their current project. In response to a question, Mr. McCarthy replied that if the Nugget demanded the money now, it's theirs and they're entitled to it. Different ways could be structured but they will soon be ready to go and are showing good faith in wanting to use that money in service of the community. In response to a question, Chairperson Williamson replied that the \$438,000 was a long standing settlement of interest claims and there wasn't a court judgment. In response to a question, Mr. Benton replied that the proposed amendment replaces paragraphs 7, 8 and 9, and any reference to an 8 or 9 refers to the new 8 or 9. In response to another question, Mr. McCarthy replied that their original payment was almost \$600,000 and they have reduced the amount the City has owed them based on improvements that have been done in and around the ice rink and the \$50,000 feasibility study. In response to a question, Chairperson Williamson replied that interest was frozen five years ago and the \$50,000 came out of capital improvements but the balance will come out of Redevelopment. Mr. McCarthy added that several people were part of the negotiating team for

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the Nugget and the City and both parties acted in good faith. It was then taken to the BOS and discussed quite vigorously. All parties came away with the feeling of going in the right direction. Chairperson Williamson called for further questions and when none were forthcoming, **Member Block moved to approve the amendment for paragraphs 7, 8 and 9 from the original agreement between the City of Carson and the Carson Nugget. Member Cain seconded the motion. Motion carried 7-0.**

J. DISCUSSION AND POSSIBLE ACTION ON APPROVAL ON REDEVELOPMENT INCENTIVE PROGRAM CHECK LIST. (6:06:20) - Chairperson Williamson introduced the item and Ms. Westergard advised that she created a checklist criteria based on the Policies and Procedures adopted on May 7, 2009. She reminded them of their responsibilities of vetting things with people in the neighborhood and the comparisons between the level of spending and how it relates to the overall budget. Mr. McCarthy added that he wants feedback from the RACC and that Mr. Benton will review the checklist to ensure it's in compliance with the current Policies and Procedures. Chairperson Williamson called for comments. In response to a question, Mr. Benton advised that Item C on the checklist addresses a 20 percent cap on how much of a project the RA can provide which helps ensure liability. In response to a question, Ms. Westergard explained noting the number met of the seven criteria in item (a) and enter that number in the first item under (c) "Overall". Chairperson Williamson read the objectives into the record, and suggested that as the RACC is reviewing the requests, to consider how many objectives are met. Member Valenti requested a Title 6.0 Redevelopment Agency Fund Compliance checklist in order to show that due diligence was done in reviewing the applications. Mr. Benton advised that the DA's office will review it before it is permanently adopted and recommended bringing it back at the next meeting.

K. NON ACTION ITEMS - DISCUSSION AND PRESENTATION ONLY

(A) UPDATE BY CITY TRANSPORTATION STAFF ON THE PROPOSED DOWNTOWN PEDESTRIAN WAYFINDING PROJECT. (6:02:05) - Mr. Doenges reported that Young Electric Sign Company in Reno is putting together a few design alternatives that he will bring back at the next meeting for more firm direction. He recalled handing out a summary of a proposed budget and advised it was accurate as to the number of signs (14) they want to initially do for about \$30,000. If YesCo is selected to manufacture the signs, the design will be free of charge. City crews will do the installation. Vice Chairperson Jones asked that it be added to the next agenda and Mr. Doenges thought he would have a design by then. In response to a question, Mr. Doenges replied that the monument signs were on the last RTC agenda and they selected one particular sign. In response to a comment, Mr. Doenges said that options to the placard were a capitol dome and the Pony Express but the overall structure would be consistent for all gateway signs. Chairperson Williamson called for public comment, but none was forthcoming.

(B) FUTURE AGENDA ITEMS FOR THE NEXT MEETING ON NOVEMBER 2, 2009. (7:07:14) - Mr. McCarthy noted that he will report back on Dave Morgan; establishing a lien regarding Paradise Cove; the revised checklist; and way-finding signs. Chairperson Williamson noted that the next redevelopment incentive requests will be considered in January. Mr. McCarthy added that the deadline for applications is January 1. At some point, he will recap the history of the Redevelopment Incentive Program.

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L. ADJOURNMENT (7:09:07) - Chairperson Williamson entertained a motion for adjournment. Member Valenti moved to adjourn the meeting at 7:09 p.m. The motion was seconded and carried unanimously.

The Minutes of the October 5, 2009 Carson City Redevelopment Authority Citizens Committee meeting are so approved this 2nd day of November, 2009.

ROBIN L. WILLIAMSON, Chairperson