A regular meeting of the Carson City Redevelopment Authority Citizens Committee was scheduled for 5:30 p.m. on Monday, May 3, 2010 in the 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 Dan Neverett
Member Gigi Valenti

STAFF: Joe McCarthy, Business Development Manager
Joel Benton, Senior Deputy District Attorney
Kathleen King, 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 part of the public record. These materials are available for review, in the Clerk's Office, during regular business hours.

1 - 2. CALL TO ORDER AND ROLL CALL (5:31:23) - Chairperson Williamson called the meeting to order at 5:31 p.m. Roll was called; a quorum was present. Member Cowan was absent. Member Valenti arrived at 5:40 p.m.

3. ACTION ON APPROVAL OF MINUTES - April 5, 2010 (5:31:46) - Member Neverett moved approval of the minutes. Vice Chairperson Jones seconded the motion. Chairperson Williamson entertained public comment and, when none was forthcoming, a vote on the pending motion. Motion carried 5-0.

4. ADOPTION OF AGENDA (5:32:14) - Chairperson Williamson entertained modifications to the agenda and, when none were forthcoming, a motion to adopt it as presented. **Member Block so moved. Member Cain seconded the motion. Motion carried 5-0.**

5. PUBLIC COMMENTS AND DISCUSSION (5:32:35) - None.

6. DISCUSSION AND POSSIBLE ACTION TO APPROVE AND RECOMMEND TO THE BOARD OF SUPERVISORS A REDEVELOPMENT INCENTIVE APPLICATION BY SPORTS THERAPY AND REHABILITATION FOR FUNDING ASSISTANCE IN THE AMOUNT OF $37,364.00 TO SUPPORT A PROPERTY IMPROVEMENT PROJECT AT 303 FLEISCHMANN WAY (5:32:44) - Chairperson Williamson introduced this item, and Mr. McCarthy reviewed the staff report. He noted staff's recommendation to approve $16,180.00, representing 20 percent of the $80,903.00 expenditure. Chairperson Williamson disclosed that LuAnn Tucker is her physical therapist, but advised of no financial interest in the subject application.

(5:35:33) Ms. Tucker provided background information on her 20-year physical therapy practice in Carson City, her intention to expand, and plans for the property improvement project. Warren Tucker advised that the property has been "an eye sore and we're going to make it beautiful."

Mr. McCarthy advised of Ms. Tucker's understanding of staff's recommendation. Ms. Tucker reviewed details of the incentive program application, noting the City's requirements for infrastructure, streetscape, and landscape improvements. In response to a question, Mr. McCarthy anticipated that the redevelopment incentive program will have $148,000.00 available for allocation. He referred to the list of proposed projects, included in the staff report, noting that Redevelopment Authority approval is pending. [Member Valenti arrived at 5:40 p.m.] Chairperson Williamson pointed out Carson City's history of conservative revenue projections, and advised that actual revenues have always "come in much higher." Mr. McCarthy acknowledged that staff's recommendation, relative to the subject application, excludes the land acquisition and building costs from the incentive funding calculation.

(5:41:28) Mr. Warren requested the committee's consideration that Ms. Tucker's application reflects only "what she needed." Ms. Tucker acknowledged the intent to hire additional employees, and discussed plans for the same.

Member Block noted the costs associated with the City's streetscape improvement requirements, and suggested that "part of the goal of redevelopment is to help the community, as a whole, and not individual people so much as the application process goes." He suggested "at least covering the $19,488 for the sidewalk improvements ..." Ms. Tucker reiterated that the "majority of the number" is relative to streetscape and landscape improvement requirements. Member Valenti agreed with Member Block's comments, and suggested funding the entire request.

Chairperson Williamson entertained public comment; however, none was forthcoming. In response to a question, Ms. Tucker advised of five current employees and reiterated the intent to hire an additional two employees. She does not sell "a lot of equipment. ... I'm a physical therapist and so we provide more of a medical service." She expressed the hope to add pilates classes, but advised that her sales tax is "nominal compared to a retail store."

Chairperson Williamson entertained a motion. **Member Valenti moved that the Redevelopment Authority Citizens Committee approves and recommends to the Redevelopment Authority and the Board of Supervisors the redevelopment incentive grant for Luann and Warren Tucker in an amount not to exceed $37,364.00, based on 20 percent of the project costs associated with landscape, signage, and site development planned for 303 Fleischmann Way, APN 001-172-01; the Redevelopment Authority Citizens Committee considered the determining factors relative to the project, as outlined within the Redevelopment Authority's policies and procedures, and makes the findings as stated in NRS 279.486; that the project is a benefit to the redevelopment area and no other reasonable means of financing are available; the approved incentive amount is on a reimbursement basis only after work is completed and as tax dollars or other financing is available to the Redevelopment Authority, contingent upon funds being available; further this incentive funding is subject to final approval by the Carson City Redevelopment Authority and Board of Supervisors and the applicant fulfilling other City requirements. Member Cain seconded the motion.** Member Neverett recommended an amendment to delete the words "20 percent of" in that the amount to be granted makes it irrelevant. **Member Valenti so amended her motion; Member Cain continued his second.** Chairperson Williamson entertained additional discussion and, when none was forthcoming, a vote on the pending motion. **Motion carried 6-0.** Mr. McCarthy advised that this item would be agendized for the May 20th Redevelopment Authority meeting.

7. DISCUSSION AND POSSIBLE ACTION TO APPROVE AND RECOMMEND TO THE BOARD OF SUPERVISORS A REDEVELOPMENT INCENTIVE APPLICATION BY TWO RIVERS NV, LLC FOR FUNDING ASSISTANCE IN THE AMOUNT OF $18,000.00 FOR A PROPERTY IMPROVEMENT PROJECT AT 310 SOUTH NEVADA STREET (5:49:13) - Chairperson Williamson introduced this item, and Mr. McCarthy reviewed the staff report. He noted staff's recommendation of $10,000, based on 20 percent of the project costs.

(5:50:28) Miya MacKenzie provided background information on purchase of and improvements to the property and the structure, as outlined in the application materials. She provided background information on two tenants which will also occupy the building. She reviewed improvements to the property and the structure, including required streetscape improvements at a cost of approximately $19,000. In response to a question, she advised that five full-time and several part-time employees will occupy the building.

Chairperson Williamson entertained public comment; however, none was forthcoming. Member Block provided background information on his previous ownership of the property, and commended its current use and the quality project. (5:56:02) Chris MacKenzie invited the committee members to visit the project site. Chairperson Williamson entertained a motion. **Member Neverett moved that the Redevelopment Authority Citizens Committee approves and recommends to the Redevelopment Authority and the Board of Supervisors a redevelopment incentive application by the applicant Two Rivers NV, LLC, for a redevelopment incentive grant in an amount not to exceed $18,000.00 for project costs for APN 003-124-02; the Redevelopment Authority Citizens Committee considered the determining factors relative to this project, as outlined in the Redevelopment Authority's policies and procedures, and makes the findings, as stated in NRS 279.486, that the project is a benefit to the redevelopment area and that no other reasonable means of financing are available; the approved incentive amount is on a reimbursement basis only after work is completed and as tax dollars or other financing is available to the Redevelopment Authority, contingent upon funds being available; further, this incentive funding is subject to final approval by the Carson City Redevelopment Authority and the Board of Supervisors, and the applicant fulfilling other City requirements. Vice Chairperson Jones seconded the motion.** Chairperson Williamson entertained additional committee member or public comments and, when none were forthcoming, a vote on the pending motion. **Motion carried 6-0.**

8. DISCUSSION AND POSSIBLE ACTION TO APPROVE AND RECOMMEND TO THE BOARD OF SUPERVISORS A REDEVELOPMENT INCENTIVE APPLICATION BY THE BREWERY ARTS CENTER FOR FUNDING ASSISTANCE IN THE AMOUNT OF $20,000.00 TO PAY A PORTION OF THE ENGINEERING COSTS FOR A PROJECT ASSOCIATED WITH PROPERTY IMPROVEMENT LOCATED AT MINNESOTA STREET BETWEEN SECOND AND KING STREETS (5:57:56) - Chairperson Williamson introduced this item, and Mr. McCarthy reviewed the staff report. Member Block advised of his membership on the Brewery Arts Center Board of Directors and stepped from the meeting dais.

(5:59:40) Brewery Arts Center Executive Director John Procaccini reviewed the incentive funding application materials. In response to a question, he advised of the City's requirement to submit engineering plans demonstrating the method by which storm water flows and traffic issues will be mitigated. He clarified there is no requirement to relocate utilities, "but we believe that they're unsightly and should be put underground." He expressed a preference to submit full engineering plans for permitting purposes, "not just for street closure purposes." In response to a further question, he reviewed details and the time table associated with the Brewery Arts Center campus master plan. In response to a further question, he reviewed in-kind services provided by the Allison, MacKenzie law firm and Architect John Copoulos during a previous phase. He acknowledged the incentive funding application included no request for reimbursement of those amounts. In response to a further question, he advised of fiber optics available to the television operation; no upgrades are necessary.

Chairperson Williamson entertained public comment. (6:06:18) Maxine Nietz advised of owning property on Minnesota Street, and of her expectation of "something great."

Chairperson Williamson entertained a motion. **Member Cain moved that the Redevelopment Authority Citizens Committee approves and recommends to the Redevelopment Authority and the Board of Supervisors a redevelopment grant requested by the applicant, Brewery Arts Center, in an amount not to exceed $20,000 to pay project costs associated with engineering work necessary to unify the two-block arts center at 449 and 511 West King Street; the project area is situated on Minnesota Street, north of Second and King Streets; the Redevelopment Authority Citizens Committee considered the determining factors relative to this project, as outlined within the Redevelopment Authority's policies and procedures, and made the findings, as stated in NRS 279.486, that the project is a benefit to the redevelopment area and no other reasonable means of financing are available; the approved incentive amount is on a reimbursement basis only after work is completed and as tax dollars or other financing is available to the Redevelopment Authority contingent upon funds being available; further, this incentive funding is subject to final approval by the Carson City Redevelopment Authority and the Board of Supervisors and the applicant fulfilling other City requirements. Member Neverett seconded the motion.** Chairperson Williamson entertained additional committee member and public comments and, when none were forthcoming, a vote on the pending motion. **Motion carried 5-0-1, Member Block abstaining.**

9. DISCUSSION AND POSSIBLE ACTION TO APPROVE AND RECOMMEND TO THE BOARD OF SUPERVISORS A REDEVELOPMENT INCENTIVE APPLICATION BY JAMES AND JIE GOTCHY, OWNERS OF LILY'S CHINA BISTRO, FOR FUNDING ASSISTANCE IN THE AMOUNT OF $40,180.00 IN CONJUNCTION WITH THE NEW REMODELING PROJECT AT 1280 SOUTH CARSON STREET (6:08:11) - Chairperson Williamson introduced this item, and Member Block returned to the dais. Mr. McCarthy reviewed that portion of the staff report pertinent to this item, and noted staff's recommendation of denial based on the remodel project having been completed.

(6:09:26) James Gotchy suggested two issues; one is that "we can develop a viable business ... and produce jobs and tax revenue. And the other issue is what is termed 'reasonable financing,' because we really don't have an opportunity for reasonable financing." Mr. Gotchy advised of having financed the remodel project by various means, such as "family members, credit cards, and short-term financing because we felt the opportunity was too good to pass up." He discussed the need for funding "to stay in business by growing into a sustainable enterprise." He described a second phase of the project to install roof signage, lighting, and improved drive-thru electronics, to repaint the building, and install booths in the dining room. He expressed the opinion that the second phase improvements "are necessary to solidify the gains we have made to grow our volume." He advised of no liens against the Gotchys' personal property or their tenant improvements. He acknowledged the building is leased.

Mr. Gotchy acknowledged the first phase of the project was funded "through a variety of resources," and the second phase is for additional work at the facility totaling approximately $26,000. He described additional expenses incurred at the end of the first remodel phase involving the natural gas line. In response to a question, Mr. Benton explained the committee's purview to consider the application outside of staff's recommendation. In response to a question, Mr. Gotchy explained necessary repairs to the drive-thru speaker. Chairperson Williamson discussed issues of concern relative to the leased premises and, in response to a question, Mr. Gotchy advised of an unencumbered residential property which value he estimated at $75,000 to $100,000. He suggested that the property could be used for the declining lien element of the incentive program. Chairperson Williamson discussed additional concerns relative to the amount of incentive funding requested and Mr. Gotchy's presentation of phase two improvements which differ from those listed in the application materials. Mr. Gotchy acknowledged his request for $26,000 represented "20 percent of the whole project." Discussion followed with regard to incentive funding program policies and procedures. Mr. Gotchy acknowledged that the property owner invested $175,000 prior to his signing the lease. He advised of not having been previously aware of the incentive funding program "until we read the articles about Paradise Cove in the Carson Mall ..." He anticipates the success of the business "because of the location and because of our skills ..." He provided background information on his wife's restaurant experience and his business experience.

In response to a question, Mr. McCarthy advised that the history of the incentive funding program has always focused on fixed equipment pertinent to the particular operation. "Primarily, ... it's almost always strictly interior improvements that enhance the property or exterior improvements that add value visually and aesthetically to the community." Vice Chairperson Jones recalled never having approved an incentive funding application after improvements are completed. He expressed objection to deviating from that practice, and Member Cain agreed. Member Cain expressed a willingness to review an application for incentive funding relative to phase two of the project. In response to a question, he advised of the need to review a plan for phase two. "We don't deal with possibilities; we only deal with actual facts." Mr. McCarthy advised Mr. Gotchy that the next application period begins July 1, 2010. He suggested consulting with design professionals to develop a plan with cost estimates for presentation of a new incentive funding application. Member Valenti advised Mr. Gotchy to exclude personal property necessary for operation of the restaurant. In response to a question, Member Cain explained details of the Paradise Cove incentive funding grant. Chairperson Williamson acknowledged that incentive funding is granted based on 20 percent of the project cost. Member Cain responded to questions of clarification relative to the incentive funding program criteria.

Chairperson Williamson entertained a motion. **Member Neverett moved that the Redevelopment Authority Citizens Committee recommends to the Redevelopment Authority and the Board of Supervisors denial of the redevelopment incentive application by the applicant, Lily's China Bistro, James and Jie Gotchy, for redevelopment incentive grant for reimbursement of project costs associated with the renovations and improvements completed for 1280 South Carson Street, APN 003-063-14; the Redevelopment Authority Citizens Committee considered the determining factors relative to the project, as outlined within the Redevelopment Authority's policies and procedures, and made the findings, as stated in NRS 279.486, regarding whether the project is both a benefit to the redevelopment area and no other reasonable means of financing are available; this restaurant opened without the use of any redevelopment grant assistance; therefore, the application does not satisfy criteria specific to the necessary finding of no other reasonable financing available; the applicant has ten days to appeal this recommendation to the Carson City Redevelopment Authority**

and the Board of Supervisors. Vice Chairperson Jones seconded the motion. Chairperson Williamson entertained additional committee member and public comments and, when none were forthcoming, called for a vote on the pending motion. **Motion carried 6-0.**

10. DISCUSSION AND POSSIBLE ACTION TO APPROVE AND RECOMMEND TO THE BOARD OF SUPERVISORS APPROVAL OF THE EXPENDITURE OF $10,000 FROM THE REVOLVING FUND FOR THE REDEVELOPMENT AGENCY TO SUPPORT THE RENDEZVOUS, AS EXPENSES INCIDENTAL TO CARRYING OUT THE REDEVELOPMENT PLAN (6:34:42) - Chairperson Williamson introduced this item, and Mr. McCarthy reviewed the staff report. He noted staff's recommendation of $4,500.00, the same amount provided by the Redevelopment Authority in 2008. He provided background information on last year's allocation of $7,500.00. He further noted staff's recommendation that this be the last year of grant funding eligibility for this event.

(6:35:42) Joy Evans, of the Convention and Visitors Bureau, provided an overview of the Rendezvous event. She advised of having been recently contacted by the U.S. Citizenship and Immigration Services Department, which representatives requested to conduct a naturalization ceremony at this year's Rendezvous event. She further advised of having been informed that HBO will be filming the ceremony, as part of a state-to-state documentary of naturalization ceremonies. She discussed the need for an upgraded sound system, which is available for rent through the Community Center's Bob Boldrick Theater. She discussed the trend toward "an authentic tourism experience ... with substance that provides lasting memories along with history." She discussed costs associated with family entertainment and recreation. She reiterated the need to upgrade the sound system, and advised of having been provided past funding by downtown merchants and other sponsors. "But everybody is really low on money right now and we're finding we're not able to get any sponsors this year." She described the Rendezvous event as "our gift to the community."

(6:42:56) Maxine Nietz distributed to the committee members and reviewed "a summary over the past four years of things we've paid ...," and an analysis of economic impact of the Rendezvous event to the community. In reference to the Redevelopment Authority proposed budget to be submitted at the May 6th Board of Supervisors meeting, she noted the emphasis of marketing local businesses, events, and cultural amenities; and integrating cultural and historic attractions, special events, recreation, and entertainment. She advised of having applied for sponsorships and grants, most of which have been denied. She provided an overview of a recent *Reno Gazette-Journal* article regarding Reno events, which mentioned "the need for municipal funding, especially when special events drive room taxes, sales taxes, and gaming taxes." In reference to a quote by a Reno City Councilman, she expressed the hope "that the redevelopment tax increment financing can help finance the Rendezvous so that that can be a continuing part of Carson City and the quality of life we all enjoy here."

(6:47:16) Fred Nietz described the Rendezvous as "a real integral part of the quality of life here in Carson City that we've all come to really depend on and be so proud of." He thanked the committee for past support, and stated, "This is kind of a do or die situation for us. If we don't get some funding, then the Rendezvous is going to go away."

(6:47:47) Dr. Isabella Hunt Jones, of the Comstock Civil War Re-Enactors, advised of having invited clubs from California and Arizona to "come and join us this year in our re-enactments and they have responded very favorably." She discussed the importance of the Rendezvous event in "teaching the history."

Ms. Nietz acknowledged that the space for the re-enactors is free. In response to a question, she reviewed the various vendor fees, and responded to corresponding questions of clarification. She advised that electricity and "corners" are an additional fee. In response to a question, Mr. McCarthy reiterated that $7,500 was awarded by the Redevelopment Authority last year. Ms. Nietz advised that vendor fees generate approximately $20,000. In response to a question, Ms. Evans advised that the Convention and Visitors Bureau provides $5,000 of in-kind advertising. In response to a question, Ms. Nietz stated, "This event runs at about a $50,000 budget." She reviewed various costs. Ms. Evans responded to questions regarding the HBO documentary of the naturalization ceremony. In response to a further question, she further clarified that HBO will not be promoting the event. Ms. Nietz advised of the perception that HBO will provide promotional activities for the 2011 Rendezvous. She reviewed costs associated with black powder and shot. In response to a question, she advised of having "added a variety of things without raising the base [vendor] fee over the last two years. Now, I charge for corners ... and we also charge for power. ... We have not raised the base fee in ... three years, and the reason is because vendors are in the same situation that sponsors are."

Chairperson Williamson inquired as to whether other, similar events are experiencing diminished interest and involvement. Ms. Nietz reviewed various events which have diminished or died out, and expressed the opinion that the reason "has to do with ... the failure to be able to raise the kind of money through sponsorships and other means." In reference to Ms. Evans' comments, she reiterated that the Re-Enactors Guild of America "which is a big organization in the gunfighter world [is] coming to Carson City and bringing their official stamp on that. We are always trying to bring new elements into the Rendezvous." Ms. Evans suggested "there's always new citizens moving into town. There's always children that need to understand the history of Nevada. So the interest is never diminished because there's always new people coming to the Rendezvous and seeing what our Nevada history is." Discussion followed, and Dr. Jones emphasized the affordability and family aspects of the event.

In response to a question, Mr. McCarthy advised that Mills Park is within the redevelopment district boundary. In response to a further question, Ms. Nietz advised of no specific "tie" from Mills Park to the downtown area over the past several years of the Rendezvous event. Member Valenti expressed an interest in the event creating more economic impact downtown. Ms. Evans advised that the Carson Nugget is an event sponsor this year, and that event vendors and participants will stay in Carson City hotels and motels.

Chairperson Williamson entertained additional public comment; however, none was forthcoming. Vice Chairperson Jones expressed the opinion that vendor fees should be increased. He expressed confusion over the seemingly minimal involvement of the Convention and Visitors Bureau. (7:08:21) Convention and Visitors Bureau Executive Director Candace Duncan discussed Convention and Visitors Bureau involvement over the past 15 years. Ms. Duncan advised that Ms. Evans is now the Executive Director of the Rendezvous event, and commended her efforts "adding new dimensions and ... elements to the event." She further commended the previous comments in that the event is "really important to Carson City and to our heritage and to tourism and to downtown. It would just really be a shame to see it go away." In response to a question, she clarified that, without the redevelopment funding, the event may have to be scaled back. "We wouldn't abandon it. We already resurrected it once."

In response to a question, Ms. Duncan expressed confidence there are many repeat visitors to the Rendezvous event each year. "You need your locals and your fans as much as you need new people." In consideration of the Convention and Visitors Bureau involvement, she advised that the event "is a great mechanism to market Carson City to people who don't live here ... That's what the $5,000 advertising campaign is for. It's all out of area, it's all to market to visitors, and it's all to bring them into the park." In response to a further question, Ms. Duncan advised of having stationed survey-takers in the park before. "It's a daunting exercise to walk around the park." She noted the significance of the event being un-gated in consideration of the information being requested by the committee members. She advised that some mechanism for measuring attendance is attempted each year. "We'll be doing that again this year because our lodging properties want to know the answers to those questions as well." Ms. Duncan acknowledged having requested the lodging proprietors to assist in gathering visitor information.

Chairperson Williamson entertained additional committee member comments or questions; however, none were forthcoming. In reference to the recommended action included in the staff report, Mr. Benton discussed the requirement to demonstrate a finding that there is a connection between the event and the redevelopment plan and that the expense is incidental to the overall cost of the redevelopment plan.

Chairperson Williamson entertained a motion. Member Neverett moved that the Redevelopment Authority Citizens Committee recommends to the Redevelopment Authority and the Board of Supervisors a grant of $7,500.00 to Rendezvous, Inc. in support of the 2010 Rendezvous in Carson City, incorporating the findings as previously directed by Mr. Benton. Vice Chairperson Jones requested Member Neverett to consider including in his motion staff's recommendation that this would be the last year for this event's grant eligibility. Mr. Benton advised that the committee is prohibited from binding future committee actions. Chairperson Williamson called for a second; however, motion died for lack of a second.

Chairperson Williamson entertained a motion. **Vice Chairperson Jones moved to recommend $6,000, incorporating the required findings. Member Cain seconded the motion.** Chairperson Williamson entertained additional discussion and, when none was forthcoming, a vote on the pending motion. **Motion carried 6-0.** Mr. McCarthy advised of the appeal process.

11. NON-ACTION ITEMS:

UPDATE BY STAFF ON THE REDEVELOPMENT PROJECTS (7:17:54) - None.

FUTURE AGENDA ITEMS FOR JUNE 7, 2010 MEETING (7:18:09) - Mr. McCarthy reviewed Redevelopment Authority items agendized for the May 6th Board of Supervisors meeting.

12. ACTION TO ADJOURN (7:19:40) - Member Neverett moved to adjourn the meeting at 7:09 p.m. The motion was seconded and carried 6-0.

The Minutes of the May 3, 2010 Carson City Redevelopment Authority Citizens Committee meeting are so approved this 20th day of July , 2010.

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ROBIN WILLIAMSON, Chair