

CARSON CITY REDEVELOPMENT AUTHORITY

Minutes of the December 6, 2012 Meeting

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A regular meeting of the Carson City Redevelopment Authority was scheduled to take place during the Board of Supervisors meeting on Thursday, December 6, 2012 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Chairperson Shelly Aldean
Vice Chairperson Karen Abowd
Member Robert Crowell
Member John McKenna
Member Molly Walt

STAFF: Larry Werner, City Manager
Alan Glover, Clerk - Recorder
Randal Munn, Chief Deputy District Attorney
Kathleen King, Deputy Clerk / Recording Secretary

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

23. CALL TO ORDER AND ROLL CALL (10:26:36) - Chairperson Aldean called the meeting to order at 10:26 a.m., noting the presence of a quorum.

24. POSSIBLE ACTION ON APPROVAL OF MINUTES - October 18, 2012 (10:26:41) - Chairperson Aldean entertained a motion. **Member Crowell moved to approve the minutes. Vice Chairperson Abowd seconded the motion.** Chairperson Aldean entertained public comment and, when none was forthcoming, called for a vote on the pending motion. **Motion carried 5-0.**

25. OFFICE OF BUSINESS DEVELOPMENT

25(A) POSSIBLE ACTION TO APPROVE AND MAKE A RECOMMENDATION TO THE BOARD OF SUPERVISORS TO MOVE \$72,876 FROM THE REDEVELOPMENT REVOLVING CAPITAL OUTLAY / UNDESIGNATED PROJECTS ACCOUNT (NUMBER 603-0000-463-77-99) TO ASSIST WITH FUNDING THE REPLACEMENT OF THE COMMUNITY CENTER SIGN WITH AN LED MESSAGE BOARD (10:27:02) - Chairperson Aldean introduced this item. Planning Division Director Lee Plemel reviewed the agenda materials in conjunction with displayed slides. Chairperson Aldean clarified that the subject funding is "redevelopment money that could also be used to fund projects in the southern redevelopment area or at the old K-Mart site. ... we need to be mindful of the fact that this is general redevelopment money that is undesignated but that ... would be available to promote events in any redevelopment area within Carson City." Mr. Plemel thanked Chairperson Aldean for the clarification, and advised that the Planning Division manages the downtown banner site. He noted that the demand has increased each year, and detailed reservations for 2013. In response to a series of questions, Mr. Plemel advised that "if this moves forward any further, ... a policy ... would need to be adopted ..." Mr. Werner suggested that fees would be based on the cost of the sign and estimated maintenance costs. Discussion followed.

Chairperson Aldean invited Chamber of Commerce representatives to the podium. (10:40:25) Chamber of Commerce President Stan Jones provided background information on the proposed LED message board

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sign. He commended Chamber of Commerce Executive Director Ronni Hannaman for requesting bids and securing pledges of funding. He advised that the estimated cost is \$75,000, and that approximately \$13,000 in pledges have been secured. He further advised that the Chamber of Commerce has pledged “the manpower to maintain and keep the readerboard current ...” In response to a previous question, he acknowledged the need for a committee “to establish the guidelines, fees, ... and that will be up to this [Board of Supervisors] ...” Mr. Jones expressed the hope that “we could move fast on this,” and the opinion that “it’s something ... very necessary to our community.” He requested the Board’s support.

In consideration of the need to include notification of public meetings, Chairperson Aldean suggested a split-screen design to allow for static display of public meetings. (10:44:35) Chamber of Commerce Executive Director Ronni Hannaman advised of having discussed the possibility with sign manufacturers, “and it’s all in the programming.” She discussed the benefits of an LED message board sign. Mr. Jones described additional features. Chairperson Aldean commended the public / private partnership aspect of the proposed project, and encouraged “opt[ing] for ... something that truly meets our needs long-term rather than compromising to fit within the restricted budget we have for redevelopment funding.” Mr. Jones noted the importance of an aesthetically pleasing sign. He acknowledged Mr. Plemel’s concern relative to the Main Street banner site. Ms. Hannaman assured the Redevelopment Authority that a “state-of-the art sign ... that will last for years” is being researched. She noted the existing Community Center sign has been in place since 1974. Chairperson Aldean commended the Chamber of Commerce on their initiative.

Following discussion, Mr. Jones and Ms. Hannaman responded to questions regarding allocation of the available funding in consideration of purchase, training, and maintenance. Supervisor Walt suggested tying in the community calendar responsibilities with the subject project. Chairperson Aldean thanked Mr. Jones, and entertained public comment. (10:53:54) Ann Hanson, representing Western Nevada College, expressed support for the project.

Chairperson Aldean entertained additional public comment and, when none was forthcoming, a motion. **Vice Chairperson Abowd moved to approve and recommend to the Board of Supervisors to move \$72,876 from the redevelopment revolving capital outlay undesignated projects account, number 603-0000-463-77-99, to assist with the funding of the replacement of the Community Center sign with an LED message board, to be addressed within the next six months. Member Walt seconded the motion. Motion carried 5-0.** Chairperson Aldean thanked the Chamber of Commerce and Western Nevada College representatives “and everyone else who supported this project.”

25(B) POSSIBLE ACTION TO APPROVE AND MAKE A RECOMMENDATION TO THE BOARD OF SUPERVISORS TO AMEND THE TEXT OF THE SOUTH CARSON STREET REDEVELOPMENT PLAN, PROJECT AREA NO. 2, TO ADD FOUR STRATEGIES FOR ADDRESSING REDEVELOPMENT OF THE AREA, AND MAKING OTHER NON-SUBSTANTIVE CLARIFICATIONS AND UPDATES OF THE PLAN (10:57:00) - Chairperson Aldean introduced this item, and Mr. Plemel noted the revised agenda report distributed prior to the start of the meeting. Mr. Plemel reviewed the agenda materials in conjunction with displayed slides. In response to a question, discussion took place to clarify the suggestion to establish a revolving loan fund. Extensive discussion followed to clarify the differences between a revolving loan fund program and the redevelopment incentive grant program.

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Chairperson Aldean entertained additional questions or comments of the Redevelopment Authority members and, when none were forthcoming, public comment. (11:17:31) Ward 2 Supervisor-elect Brad Bonkowski expressed the opinion that the “ability to provide no interest or low-cost loans in the redevelopment district is an important component ...” He provided an example, and expressed support for requiring repayment. He suggested researching microfinancing programs in consideration of possible models to track repayments. He expressed support for using redevelopment funds to provide municipal services along the commercial corridor. He advised of having met, together with Mayor Crowell, with business owners who are concerned over road closures planned for the utility relocation phase of the freeway construction. He inquired as to whether redevelopment funding could be allocated to provide alternative access to businesses during the utility relocation phase. Chairperson Aldean suggested a “cooperative venture between the [Redevelopment] Authority and the RTC to address those issues.” Mr. Plemel noted the traffic improvements and circulation provisions included in the Redevelopment Plan. Discussion took place regarding the provisions relative to infrastructure improvements, and Vice Chairperson Abowd suggested a revision to paragraph 3(A)(9) of the proposed amendment.

Chairperson Aldean entertained additional public comment. (11:30:15) Performance Auto Care Owner Steve Halen advised that his business has been at its present location for the last thirty years. He provided background information on meetings with Redevelopment Authority staff since implementation of the plan in 2004. He expressed “disillusionment” over assurances from previous Office of Business Development staff relative to the possible future availability of redevelopment authority incentive funding. He described the location of his business “right next to Fire Station 3 and ... the tennis court ... at Ross Gold Park,” and advised that he has “been patiently waiting to re-do the building. It’s falling apart, thirty-some years old.” In reference to recent meetings with City staff regarding remodel of his business, he advised that “it will cost ... more money to improve what the City expects ... than it will ... to build [his] building.” He expressed the belief that “at this point in time, the Redevelopment Authority could, at least, at the minimum, ... waive some of the things that I have to do or possibly re-do some of the things that need to be done for the benefit of the City.” Mr. Halen advised that the tennis court adjacent to his business is well used. He further advised that “the City wants [him] to re-do the street, re-do the water main which [he] doesn’t have any water, [he has] his own well; the sewer, the water main, fire hydrants, curb and gutter and, when you start adding all that up, there’s no way. It’s more than my building.” He reiterated that his business has been in existence for thirty years, and advised of the intent to pass it on to his son. He expressed support for a revolving loan program, but a preference for “stipulations ... because you can give to people who have been established and aren’t going to walk away.” He expressed concern that the car dealerships have “taken our City to the cleaners. ... they got this money for free and [he] got nothing out of it.” He expressed support for filling vacant buildings, but reiterated that his business has been established for thirty years. He requested assistance, and reiterated a request for some of the City requirements to be waived.

In response to a question, Chairperson Aldean expressed understanding for Mr. Halen’s concerns and encouraged him to meet with Mr. Plemel. In reference to the draft plan amendment, she suggested “there may be provisions in the strategies that we’re considering that would help [Mr. Halen’s] situation ...” She acknowledged Mr. Halen’s frustration, but reiterated the encouragement to meet with Mr. Plemel. Member McKenna requested Mr. Plemel to report back to the Redevelopment Authority the results of his meeting with Mr. Halen. Member McKenna suggested Mr. Halen’s situation is an example of “why we don’t want to have a loan fund. ... this gentleman’s been sitting here. He’s been a Carson City business person for thirty-plus years and he’s not asking for a loan. He’s asking for services: water lines, sidewalks, things

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like that so he can meet Code improvements. Those are physical things. Those aren't loans." Member McKenna expressed opposition "to loan[ing] money to people that have a marginal business to begin with and need money to get into a marginal business so that somebody ... who owns a building doesn't have to improve their property for a lender. ... without a specific, ... very firm idea of what this lending is going to look like, ... we ought to stay the course and go with our original plan of staying out of the money lending business and, if you have a project and it has physical things that Carson City needs, then we'll work with you. But, to give money and have it paid back and then give money to somebody else and hopefully have it paid back, ... we ought to just stay out of the ... lending business and deal with people, like this gentleman who has proven that he belongs in Carson City, he wants to be in Carson City, and he'll pay it back through sales tax or through jobs or whatever."

Chairperson Aldean entertained additional public comment and, when none was forthcoming, closed the public hearing. Mr. Plemel advised of having been previously unaware of Mr. Halen's project and concerns and expressed a willingness to meet with him. He noted that a small business incentive program "where the City is paying up to twenty percent of the project costs," is not included in the proposed amendment. He suggested that the proposed language "could help with the City side of the infrastructure if the Redevelopment Authority so chooses, with what's proposed ... and existing in the plan. But, what's not in here is to help with the on-site construction ... for area 2." Chairperson Aldean suggested further considering the revolving loan program and developing a more definitive recommendation rather than including it in the subject amendment. She expressed concern with regard to "send[ing] the wrong message to the public. This document is a public document. People are going to be looking at it. If it's not properly worded, if it doesn't accurately reflect our intent, then we've got a problem because people are going to feel like they've been deceived." She recommended removing paragraph 3(A)(11) and reconsidering it in two years at the same time that the incentive program is reconsidered. She reviewed additional suggested revisions, and entertained additional comments of the Redevelopment Authority members.

Member Crowell suggested that the goals of the redevelopment plan appear to be "highly tailored to auto sales," and further suggested considering off-site improvement requirements for business owners interested in upgrading their properties. "... the off-site improvements are important, but we don't preclude development that's otherwise going to be beneficial by saddling a business owner ..." Mr. Werner advised this would require revisions to the development Code, and explained the trickle-down effect of the associated costs. He offered to reagendaize the issue for a future meeting, and extensive discussion ensued.

(11:52:19) George Pavlik introduced himself for the record. In reference to previous discussion, he advised of having requested installation of curb and gutter in front of his residence. Mr. Werner explained the circumstances under which the City will install curb and gutter based on established community priority. Mr. Pavlik acknowledged that his residence is within the redevelopment area "right across from the car dealers." In response to a comment, Mr. Werner advised that the City's 50 / 50 sidewalk program is still available "once it reaches the priority for [the City's] fifty percent." He provided extensive background information on the now-defunct special assessment district in the area of Mr. Pavlik's residence. In response to a question, Mr. Werner explained the "huge liability ... for curb, gutter, and sidewalk" relative to the ADA throughout the community. He expressed a willingness to send a Public Works Department representative to Mr. Pavlik's area in order to assess the situation.

Chairperson Aldean entertained additional public comment and, when none was forthcoming, a motion. Discussion took place regarding the wording of the recommended action, and **Member Walt moved to**

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recommend to the Board of Supervisors approval of the proposed amendments, with the exception of item 11 on page 4, to the text of the South / North Carson Street Redevelopment Plan, Project Area No. 2, to add three strategies for addressing redevelopment of the area, and making other nonsubstantive clarifications and updates of the Plan, as recommended by the Redevelopment Authority Citizens Committee, and subject to other corrections on the record. Member McKenna seconded the motion. Mr. Plemel acknowledged understanding of the requested revisions. Chairperson Aldean entertained questions or comments and, when none were forthcoming, called for a vote on the pending motion. **Motion carried 5-0.**

25(C) POSSIBLE ACTION TO APPROVE AND RECOMMEND TO THE BOARD OF SUPERVISORS APPROVAL OF AMENDMENT #2 TO THE OPERATING COVENANT AND AGREEMENT, BY AND BETWEEN CARSON CITY REDEVELOPMENT AUTHORITY AND CARSON CITY, AND THE CARRINGTON COMPANY, TO EXTEND THE TIME IN WHICH A TENANT MUST OCCUPY A MINIMUM OF 42,000 SQUARE FEET OF THE 72,570 SQUARE FEET OF VACANT TENANT ANCHOR SPACE FROM DECEMBER 31, 2012 TO OCTOBER 31, 2013, AND PROVIDING THAT A LEASE FOR THAT SPACE MUST BE SIGNED BY JANUARY 31, 2013, THAT A LEASE MUST BE SIGNED FOR THE REMAINING VACANT SPACE BY JULY 1, 2013, AND THAT A TENANT MUST OCCUPY THE REMAINING SPACE BY DECEMBER 31, 2013 (11:59:59) - Chairperson Aldean introduced this item, and Mr. Plemel reviewed the agenda materials.

Chairperson Aldean invited Joanne Holmes, representing The Carrington Company, to the podium. (12:03:40) Ms. Holmes introduced herself for the record and explained the need for the additional extension of time. She expressed appreciation for the Board's cooperation. In response to a question, she described the national retailer as "strong, ... very conservative. They ... are growing but they don't want to outgrow themselves. They are very conservative about their expansion. ... They love Carson. They had looked at Carson before. ... It stalled on us because they wanted to delay this a year to an opening of 2014. That decision was because they didn't want to expand too fast and they didn't want to overcommit themselves. ... they rearranged some openings of other stores and they moved Carson into 2013."

In consideration of the difference between occupancy and operation, Chairperson Aldean suggested amending the motion to indicate that the "tenant must occupy and be operating ..." She entertained additional questions of the Redevelopment Authority members. Member Walt suggested that "what's going on at the Mall right now is very positive. The Food for Thought fund raiser that happened ... on Tuesday ... helps the nonprofits which is helping the community." She commended The Carrington Company and Kevin Ray on such events. Ms. Holmes discussed the community-minded philosophy of The Carrington Company.

Chairperson Aldean entertained additional Redevelopment Authority member comments or questions and, when none were forthcoming, public comments. (12:09:11) Ward 2 Supervisor-elect Brad Bonkowski requested the Redevelopment Authority to consider the time line in light of the possibility of extensive tenant improvements. (12:10:34) In response to a comment, Ms. Holmes advised of having suggested the time lines included in the agenda report. Discussion followed.

(12:11:56) Chamber of Commerce Executive Director Ronni Hannaman expressed support for and encouraged the Redevelopment Authority to grant the requested extension of time.

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Chairperson Aldean entertained additional public comment and, when none was forthcoming, a motion. She reminded the Redevelopment Authority members of the previously-recommended revision to the motion. In response to a question, she reviewed corresponding revisions to the agreement. Mr. Plemel noted an additional correction to the agreement. **Vice Chairperson Abowd moved to approve and recommend to the Board of Supervisors approval of amendment no. 2 to the Operating Covenant and Agreement, by and between Carson City Redevelopment Authority and Carson City and the Carrington Company, to extend the time in which a tenant must occupy and be operating in a minimum of 42,000 square feet of the 72,570 square feet of vacant tenant anchor space, from December 31, 2012 to October 31, 2013, and providing that a lease for that space must be signed by January 31, 2013, and that a lease must be signed for the remaining vacant space by July 1, 2013, and that a tenant must occupy and be operating in the remaining space by December 31, 2013. Member Walt seconded the motion.** Chairperson Aldean noted the corresponding amendments to the agreement, and entertained questions or comments. When none were forthcoming, she called for a vote on the pending motion. **Motion carried 5-0.** Chairperson Aldean thanked Ms. Holmes.

26. PUBLIC COMMENT (12:15:18) - Chairperson Aldean entertained public comment; however, none was forthcoming.

27. ACTION TO ADJOURN REDEVELOPMENT AUTHORITY (12:15:29) - Chairperson Aldean entertained a motion to adjourn. **Member Walt so moved. Vice Chairperson Abowd seconded the motion. Motion carried 5-0.**

The Minutes of the December 6, 2012 Carson City Redevelopment Authority meeting are so approved this _____ day of January, 2013.

SHELLY ALDEAN, Chair

ATTEST:

ALAN GLOVER, Clerk - Recorder