

**Carson City
Agenda Report**

Date Submitted: October 27, 2015

Agenda Date Requested: November 5, 2015

To: Redevelopment Authority

Time Requested: 30 minutes

From: Community Development Department – Redevelopment

Subject Title: For Possible Action: To consider and accept the recommendations from the Redevelopment Authority Citizens Committee (RACC) regarding Redevelopment objectives, programs and project priorities for the future use of uncommitted Redevelopment funds. (Lee Plemel, lplemel@carson.org)

Staff Summary: The RACC has recommended priorities for the use of available Redevelopment funds in upcoming years to assist the Redevelopment Authority in making decisions regarding the use of those funds. The priorities may be general or project specific. Upon direction from the Redevelopment Authority on priorities, staff will develop programs, policies, cost estimates, etc., as applicable, to bring back to the RACC and the Redevelopment Authority as an implementation plan for consideration.

Type of Action Requested: (check one)
 Resolution Ordinance
 Formal Action/Motion Other (No Action)

Does This Action Require a Business Impact Statement: Yes No

Recommended Board Action: I move to accept the recommendations from the Redevelopment Authority Citizens Committee regarding Redevelopment objectives, programs and project priorities for the future use of uncommitted Redevelopment funds.

Explanation for Recommended Board Action: The adoption of priorities will allow the Redevelopment Authority and Board of Supervisors to use those priorities when considering how available Redevelopment funds will be used. It will also provide direction to staff on which programs to develop in order to bring an implementation plan back to the RACC and Redevelopment Authority for consideration.

The purpose of this item is to prioritize the objectives, programs and projects that the Redevelopment Authority would like to accomplish in the next few years. It is important to note that establishing priorities does not necessarily mean that programs must be implemented or projects completed in the order of priority. For example, if downtown improvements were to be the top priority as recommended by the RACC, the project would likely not be completed before Curry Street improvements are completed in 2018. Other priorities would continue to be implemented in the meantime.

Once the Redevelopment Authority establishes priorities, the next step will be to create any applicable policies or programs and to develop a plan for allocating funding to implement the objectives over a period of time. Staff will go back to the RACC with more information

regarding the top-ranked programs or projects for recommendations to bring back to the Redevelopment Authority for final approval.

Redevelopment priorities may change over time. However, it is important to establish priorities to provide direction to City management and Redevelopment staff to allocate staff time and resources. It is also important that the Redevelopment Authority reach some consensus on priorities because any expenditure from the Redevelopment Revolving Fund can only be made with approval of four of the five Board members.

The following documents are attached to help facilitate this discussion:

RACC recommended priority list – The attached list of potential objectives, programs and projects is prioritized as recommended by RACC. The list of potential items was narrowed down by RACC over several discussions. The RACC prioritized the items at their meeting on September 2, 2015. Four of the seven RACC members were present at the meeting to take action on the recommendations. The Redevelopment Authority may add items to this list or otherwise modify it for approval.

Five-year Redevelopment budget projection – The attached budget projection was prepared by the Finance Department when the FY 2015-16 Redevelopment budget was prepared. It assumes a “status quo” projection with general operating expenses, special event funding, and other expenses remaining the same. It anticipates a slight growth in property tax revenues, and also projects slight increases in salaries and benefits each year. The projections are estimates and are subject to actual revenues and budget decisions each year, but it should offer a general overview of anticipated available funds.

The key line-item to look at is the “Infrastructure Projects (undesignated)” line. These are the expected remaining funds, after other expenses are paid, that may be used to support new Redevelopment programs. It is projected that approximately \$2 million will accrue in this budget category over the next five years.

Redevelopment Area 1 Plan objectives – The attached section of the Redevelopment Plan for Area 1 shows the established objectives for Area 1. Redevelopment Area 1 was established in 1986 and expires in January 2031.

Redevelopment Area 2 Plan objectives – The attached section of the Redevelopment Plan for Area 2 shows the established activities adopted to achieve the goals for Area 2. Redevelopment Area 2 was established in 2004 and expires in July 2034.

Note that the Redevelopment Area Plans do not prioritize the objectives and merely list a broad range of objectives that may be pursued. It is up the Redevelopment Authority to determine priorities of the objectives over any given period within the Plans’ timeframes. The Plans enable the City to pursue a number of activities in the Redevelopment District but does not require action on any given objective. Priorities must be established for implementation, as it would be impossible to complete every objective within the Plans given limited Redevelopment resources.

Redevelopment Areas Map – The Redevelopment Areas Map shows the location of Redevelopment Areas 1 and 2, collectively referred to as the “Redevelopment District.” Redevelopment funds are to be used to the benefit of these areas.

If you have any questions regarding this item, please contact Lee Plemel at 283-7075 or lplemel@carson.org.

Applicable State, Code, Policy, Rule or Regulation: NRS 279 (Redevelopment of Communities)

Fiscal Impact: TBD.

Explanation of Impact: Accepting the recommended project priorities does not authorize any expenditure but establishes a guide for possible future expenditures within available, budgeted Redevelopment funds.

Funding Source: Redevelopment Revolving Fund.

Alternatives: Modify the Redevelopment project priorities.

Supporting Material:

- 1) RACC recommended priority list
- 2) Five-year Redevelopment budget projections
- 3) Redevelopment Area 1 Plan objectives
- 4) Redevelopment Area 2 Plan objectives/activities
- 5) Redevelopment Area Maps (Areas 1 & 2)

Prepared By: Lee Plemel, AICP, Community Development Director

Reviewed By: Lee Plemel Date: 10/27/15
(Community Development Director)

Ch. S. Date: 10/27/15
(City Manager)

D. A. Date: 10/27/15
(District Attorney)

Nancy Paulson Date: 10/27/15
(Finance Director)

Board Action Taken:

Motion: _____

1) _____ Aye/Nay _____
2) _____

(Vote Recorded By)

RACC Recommended Redevelopment Objectives, Programs and Projects

Following are various Redevelopment objectives, programs, and projects listed in the prioritized order as recommended by RACC. Each item has the applicable objective from the adopted Redevelopment Plans listed. The individual rankings of RACC members are included after this list for reference.

1. Expand the Downtown Streetscape Improvement Project to include the side streets between the proposed Carson Street and Curry Street improvements (e.g. continue sidewalk improvements on Musser, Proctor, Telegraph, Spear and Robinson Streets).
 - o Improve the street, highway, bicycle and pedestrian circulation system to assure safe, convenient and aesthetically pleasing access to and throughout the area. (Area 1, #303)
2. Provide equipment and/or infrastructure to facilitate special events (e.g. equipment storage, tents, tables, chairs, street barricades, etc.).
 - o Establish the highest possible level of recreational opportunity for the residents and visitors of all age levels. (Area 1, #320)
3. Implement an incentive program to improve properties (e.g. façade improvement program to recondition existing façades).
 - o Improve the appearance of commercial area through street beautification programs, building rehabilitation. (Area 1, #311)
 - o Reuse of vacant retail buildings (Area 2, #8)
4. Continue annual Special Event Funding. (Create policies to phase out over time.)
 - o Establish the highest possible level of recreational opportunity for the residents and visitors of all age levels. (Area 1, #320)
5. Assist with undergrounding and extension of utilities for new development (e.g. water, sewer, electrical, fiber optic outside of the Downtown project or other sales tax project areas).
 - o Repair, construct, install, or replace new publicly owned utility systems such as water, storm drains and sanitary sewers where existing systems are nonexistent, inadequate, undersized or substandard. (Area 1, #302)
 - o Underminate present overhead utility systems where feasible and encourage the serving utility companies to assist in the costs thereof. (Area 1, #314)
 - o Assist with construction of necessary utility lines to serve new development on commercial properties upon submittal of a plan for a project that would benefit the Redevelopment District. (Area 2, #9)
6. Provide more directional signage throughout the Redevelopment Areas.
 - o Provide informational and directional kiosks in convenient pedestrian locations to allow visitors an opportunity to become familiar with the locations of the City's historic, business, cultural, gaming, recreational and other places of interest. (Area 1, #309)
7. Purchase property to redevelop.
 - o Strengthen the local economy by attracting new and expanded private investment in the Area, create new employment opportunities, increase the City's tax base, and expand public revenue. (Area 1, #301)

RACC Recommended Redevelopment Objectives, Programs and Projects

Individual project ranking by RACC members present (in no particular order, Bagwell, Cardinal, Hannaman and Wickstead):

Objective/Program/Project					Avg.
East/West Downtown Street improvements to match Carson/Curry Street improvements	2	1	1	2	1.50
Purchase downtown equipment/infrastructure to facilitate special events	1	2	4	1	2.00
Downtown Façade Improvement Program	3	3	5	4	3.75
Continue with Special Event funding	6	7	2	3	4.50
Assist with undergrounding and utility extensions for new development	7	5	3	5	5.00
Provide more directional signage throughout the Redevelopment Areas	5	4	6	6	5.25
Purchase property for future redevelopment	4	6	7	7	6.00

Carson City Redevelopment Authority
Projection
FY 2016 - FY 2020

	FY 2016 Budgeted	FY 2017 Projection	FY 2018 Projection	FY 2019 Projection	FY 2020 Projection	
REVENUES						
Property Taxes	1,697,256	1,748,174	1,800,619	1,854,637	1,910,277	(3%/yr)
Interest Revenue	2,400	2,400	2,400	2,400	2,400	
Charges for Services	10,000	10,000	10,000	10,000	10,000	
Beginning Fund Balance	<u>202,166</u>	<u>172,235</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	
Total Rev and Fund Bal	<u>1,911,822</u>	<u>1,932,809</u>	<u>2,013,019</u>	<u>2,067,037</u>	<u>2,122,677</u>	
EXPENDITURES						
Debt Service (last payment 2021)	278,400	279,600	275,400	276,000	281,200	(Actual)
Fiscal Charges	500	500	500	500	500	
Sal and Ben:						
Parks	64,535	66,794	69,132	71,551	74,055	(3.5%/yr)
Administrative	47,521	49,184	50,906	52,687	54,531	(3.5%/yr)
Other Expenditures						
Services & Supplies	219,573	225,000	225,000	225,000	225,000	
Special Events & Activities	65,000	65,000	65,000	65,000	65,000	
Nevada Day	25,000	25,000	25,000	25,000	25,000	
Farmers Market	15,000	15,000	15,000	15,000	15,000	
Xmas Tree Lighting	10,000	10,000	10,000	10,000	10,000	
Michael Hohl Incentive (end date 2020)	480,000	480,000	480,000	480,000	480,000	
Big 5 / Big Lots Incentive (end date 2026)	50,000	50,000	50,000	50,000	50,000	
Carson Mall Incentive (end date 2029)	100,000	100,000	100,000	100,000	100,000	
Revolving Loan Program	1	1	1	1	1	
3rd Street Project	218,058					
Infrastructure Projects (Undesignated)	165,999	366,730	447,081	496,298	542,389	
Ending Fund Balance	<u>172,235</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	
Total Exp and Fund Bal	<u>1,911,822</u>	<u>1,932,809</u>	<u>2,013,019</u>	<u>2,067,037</u>	<u>2,122,677</u>	
Tot Rev less Exp	<u>-</u>	<u>(0)</u>	<u>(0)</u>	<u>(0)</u>	<u>(0)</u>	

Services and Supplies:

General Fund Internal Service Charges	105,492
Professional Services	20,000
Rent and Utilities	21,718
Advertising/Marketing	9,000
Publications	16,000
Misc Serv & Supp (dues, supplies, etc.)	<u>47,363</u>
	<u>219,573</u>

REDEVELOPMENT PLAN
FOR THE
CARSON CITY REDEVELOPMENT PROJECT NO. 1

FEBRUARY 6, 1986

Prepared By
Carson City Redevelopment Authority
In Cooperation With
Carson City Planning Commission

Assisted By
Patterson, Stewart and Associates
and
Region West Research Consultants

SECTION 300 - REDEVELOPMENT OBJECTIVES

The principal objectives of the City and of this Plan is to improve the 488 acre Redevelopment Project Area economically, physically and aesthetically--making the Area more attractive for private sector development and redevelopment and to protect the substantial public investment in State and City facilities. Further objectives are to correct deficiencies in the Area's aging infrastructure, repair and modify the present street system, provide amenities for the use and enjoyment of the people of Carson City and the many visitors who travel to this capitol city annually for business and recreation reasons. The following more specifically describe the intent, purpose and objectives of this Redevelopment Plan:

301. Strengthen the local economy by attracting new and expanded private investments in the Area, create new employment opportunities, increase the City's tax base, and expand public revenue to be used to improve the quality of life for the people of Carson City;
302. Repair, construct, install, or replace new publicly owned utility systems such as water, storm drains and sanitary sewers where existing systems are nonexistent, inadequate, undersized or substandard.
303. Improve the street, highway, bicycle and pedestrian circulation system to assure safe, convenient and aesthetically pleasing access to and throughout the Area;
304. Develop a physical linkage and an appropriate transportation mode among the Virginia and Truckee (V & T) Roundhouse, the Downtown and the Railroad Museum;
305. Promote the restoration of the V & T Roundhouse;
306. Develop a common theme in the housing, business and government sectors of the Redevelopment Area, to unify the mixture of residential, office, retail, lodging, gaming and government facilities by understanding, respecting and utilizing the City's rich historic past and its roll as Capitol of the State of Nevada;
307. Establish a unifying tree planting program throughout the Redevelopment Area.
308. Develop appropriately designed street lighting, street signage and street furniture systems with a full understanding of the diversity and special character of the several functional and historic use areas within the Project Area;

309. Provide informational and directional kiosks in convenient pedestrian locations to allow visitors an opportunity to become familiar with the locations of the City's historic, business, cultural, gaming, recreational and other places of interest;
310. Develop additional, conveniently located parking facilities--including parking structures where appropriate--together with pleasant, auto-free, pedestrian ways linking business, government and places of historic interest;
311. Improve the appearance of commercial areas through street beautification programs, building rehabilitation and improved development requirements in the areas of sign controls and landscaping;
312. Encourage more intensive landscaping on Downtown properties and parking lots;
313. Encourage and assist in providing "people oriented areas" in the Downtown for daytime and evening special events and promotional activity;
314. Underground present overhead utility systems where feasible and encourage the serving utility companies to assist in the costs thereof;
315. Integrate and protect older existing structures having historic value, with new development;
316. Cooperate and support officially recognized Historic Preservation and Architectural Review groups in their undertaking of the design for the restoration and rehabilitation of historically designated structures and places;
317. Provide informational plaques for on-site display in conjunction with recognized historic structures and places;
318. Accommodate planned population growth in ways which will not damage the social, economic and environmental well being of Carson City;
319. Continue and enhance a land use pattern which creates vitality through diversity in activities and the age of improvements;
320. Establish the highest possible level of recreational opportunity for the residents and visitors of all age levels;

321. Promote greater cooperation between City and School District in the joint use of public land for school-park-recreation purposes;
322. Promote greater cooperation between City and State government in order to achieve harmony in public development;
323. Initiate programs with appropriate public and private groups to develop decent, safe and sanitary housing for persons and families in the Redevelopment Area who are living under substandard conditions; and
324. Where rehabilitation of property may be unfeasible and where clearance and redevelopment may be necessary to eliminate blighting influences, cause such property to be cleared and redeveloped and in the process, assist and encourage the owners of such property to participate in these activities.

2. DESCRIPTION AND MAP OF THE PROJECT AREA

The boundaries of Project Area No. 2 are shown on the map and the boundary description has been incorporated into the ordinance that adopts the Redevelopment Plan

3. PROPOSED REDEVELOPMENT ACTIONS

A. Specific Redevelopment Activities

The Redevelopment Authority plans to carry out the following strategies to achieve the goals of redevelopment in Project Area No. 2:

1. **Assistance with site acquisition:** The Redevelopment Authority, by assisting with site acquisition for auto dealers, has the ability to influence the economics related to the expansion or retention of auto sales on South Carson Street. The use of financing tools and public/private partnerships will allow the Redevelopment Authority to work with existing auto dealers to obtain commitments to remain doing business and to expand their operations on South Carson Street.
2. **Relocation assistance:** The Redevelopment Authority has the capability to assist auto dealers to relocate from other parts of the region to South Carson Street. For example, auto sales operations currently located on North Carson Street could benefit from clustering with the dealers on South Carson Street to produce the synergy of an auto row.
3. **Expansion in number of franchises:** For example, Carson City lacks the following franchises: Volkswagen, BMW, Mitsubishi, Acura, and Mercedes. The Redevelopment Authority could provide inducements for auto dealers to increase the number of franchises offered on South Carson Street.
4. **Armory Site:** Currently, the State of Nevada owns the site of the former Nevada National Guard. With the concurrence of the State, the Redevelopment Authority could work with the State of Nevada to maximize private development potential on this site through the means authorized by this Plan.
5. **Improvements in traffic circulation, landscaping and streetscape:** South Carson Street is currently a major state highway making access difficult. Also, it has limited landscaping and attractive visual amenities. The anticipated completion of the freeway from Fairview Drive to South Carson Street will significantly reduce traffic and leave South Carson Street in City control, with the need to transition the street back from a state highway to a local arterial street serving the properties along it. The Redevelopment Authority has the ability to invest in infrastructure, traffic improvements, landscaping, maintenance and other public enhancements to improve

traffic circulation and the appearance of South Carson Street. This strategy includes forming a business improvement district to address maintenance needs in the area.

6. **Marketing assistance:** A strong marketing program has the potential of contributing to the success of auto sales operations on South Carson Street. The Redevelopment Authority can assist auto dealers with marketing efforts to enhance Carson City as an auto purchase destination for the region. This assistance could include helping to establish a strong and active Dealer Group to conduct destination advertising and other marketing efforts such as special events. It could also include assistance with signs and other design features to create identity for South Carson Street as an auto purchase destination for the region.
7. **Re-use of existing sites if a regional auto mall proceeds:** If a regional auto mall is developed in Carson City, the Redevelopment Authority could assist dealers to obtain productive and financially viable re-use of their existing sites on South Carson Street.
8. **Re-use of vacant retail buildings:** Since the Plan was adopted in 2004, numerous businesses have been affected by the economy, resulting in a high commercial vacancy rate. Additionally, the vacant former K-Mart building on North Carson Street has been added to the plan to address the vacancies and deterioration of the property and other properties in the vicinity. The Redevelopment Authority could assist with various types of incentives, including economic studies, to encourage new, viable uses for these buildings.
9. **Utility Extensions:** While the Plan Project Area is largely served by existing public infrastructure, there are some properties to which utilities such as water and sewer lines do not currently reach. The Redevelopment Authority could assist in constructing necessary utility lines to serve new development on commercial properties within the Plan Project Area upon submittal of a plan for a project that would benefit the Redevelopment District.
10. **NDOT right-of-way:** The Nevada Department of Transportation owns significant right-of-way along Carson Street. In some cases, NDOT owns up to 70 feet of property behind existing street improvements. This significantly limits adjacent property owners' ability to use this property for economic development purposes. The Redevelopment Authority can assist property owners in working with NDOT to dispose of these excess rights-of-way or provide financial assistance to help to lease or purchase these rights-of-way from NDOT to the extent the law and NDOT may authorize.

In conducting the redevelopment activities as set forth above, the Redevelopment Authority shall be enabled by the authority and requirements set forth in Section 5 of the Plan.

