



# Community Development Department

108 E. Proctor Street  
Carson City, Nevada 89701  
(775) 887-2180 – Hearing Impaired: 711

Date: July 22, 2016

To: Redevelopment Authority Citizens Committee  
Meeting of August 1, 2016

From: Lee Plemel, Director

Subject: Action to make recommendations to the Redevelopment Authority regarding the allocation of undesignated Redevelopment funds

**RECOMMENDED RACC MOTION:** I move to recommend to the Redevelopment Authority the authorization of \$\_\_\_\_\_ from the FY 2016-17 Redevelopment Revolving Fund for \_\_\_\_\_.

## DISCUSSION:

This item has been placed on the agenda at the request of the Chair and other RACC members to discuss the use of available Redevelopment funds for specific projects. Two potential projects have been identified for possible Redevelopment funding: 1) Repairing/repainting the “Blue Line” historic tour marker, and 2) establishing a revolving loan fund for small businesses. These potential projects will be discussed individually below.

In February 2016, the RACC made recommendations for Redevelopment funding and the Redevelopment Authority subsequently approved a five-year Redevelopment priority and allocation plan for various projects (see attached). This plan will be reviewed annually for recommendations from RACC at its February meeting for review by the Redevelopment Authority prior to setting the Redevelopment budget for the following Fiscal Year.

As the allocation plan shows, there is \$225,000 in undesignated funds in the FY 2016-17 Redevelopment budget. This figure does not include the carryover of unused undesignated funds from FY 2015-16 in the amount of \$146,000, which will effectively make a total of \$371,000 available in the undesignated category. The RACC may make recommendations regarding the use of these funds. However, it should be noted that all future funds are accounted for and no additional undesignated funds are anticipated to be available in the following two years. The current pool of undesignated funds needs to carry forward for any additional projects in the following two years.

One potential project is to repaint the “Blue Line,” the blue line painted on sidewalks throughout the Historic District as part of a self-guided tour of the District. Public Works has estimated the cost of this project at \$26,000.

Another potential project that may be considered is to create a small business revolving loan fund. A revolving loan fund allocates money to be loaned out for the purposes identified in the loan program, and the repayment funds are used to make additional loans. Theoretically, once a revolving loan fund is established, additional funding is not necessary in future years provided that enough payments are coming in to support the request for additional loans.

There are several issues that must be considered before establishing a revolving loan fund program. Policies establishing the potential applicants' eligibility, loan approval guidelines, the range of loan amounts available, and loan terms (including timeframe of loan, interest rate and any special conditions) would need to be established. A system would need to be created to market the program and create an application process that is fair and non-discriminatory including the creation of an independent loan committee for application processing. Provisions for servicing the loans must also be established, including what would be done in the case of default; and, of course, establishing the staffing to manage the program. If, after discussion, RACC would like to consider establishing a revolving loan fund, RACC may make such a recommendation to the Redevelopment Authority or direct staff to bring more information back to RACC for further consideration.

If you have any questions regarding this item, please contact Lee Plemel at 283-7075 or [Lplemel@carson.org](mailto:Lplemel@carson.org).

Attachments:

1. Approved Redevelopment Allocation Plan
2. Five-year Redevelopment Budget Projections

## Redevelopment Allocation Plan

Objective/Program/Project	2016-17	2017-18	2018-19	2019-20	2020-21	5-year Total
1. East/West Downtown Street improvements to match Carson/Curry Street improvements		\$ 200,000	\$ 100,000	\$ 200,000		\$ 500,000
2. Purchase downtown equipment/ infrastructure to facilitate special events	\$ 30,000	\$ 5,000	\$ 5,000	\$ 5,000		\$ 45,000
2(A). Special event support, Public Works street closures	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000		\$ 100,000
3. Downtown Façade Improvement Program	\$ 200,000	\$ 20,000	\$ 20,000	\$ 20,000		\$ 260,000
4. Special Event funding	\$ 60,000	\$ 55,000	\$ 50,000	\$ 45,000		\$ 210,000
5. Assist with undergrounding and utility extensions for new development	\$ 40,000	\$ 20,000	\$ 20,000	\$ 20,000		\$ 100,000
6. Assist with William Street corridor project		\$ 101,208	\$ 264,202			\$ 365,410
7. Purchase property for future redevelopment						\$ -
6. Provide more directional signage throughout the Redevelopment Areas						\$ -
Total Allocated:	\$ 355,000	\$ 426,208	\$ 484,202	\$ 315,000	\$ -	\$ 1,580,410
<b>Undesignated Available*:</b>	<b>\$ 225,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 610,924</b>	<b>\$ 956,427</b>	<b>\$ 1,792,351</b>

\* For FY 2016-17, does not include carry-over undesignated funds from FY 2015-16 (\$146,000) or other carry-over funds.

**Carson City Redevelopment Authority  
Projection  
FY 2017 - FY 2021**

	FY 2017 Budgeted	FY 2018 Projection	FY 2019 Projection	FY 2020 Projection	FY 2021 Projection	
<b>REVENUES</b>						
Property Taxes	1,717,909	1,752,267	1,804,835	1,858,980	1,914,749	2% FY18, 3% in FY 19 - 21
Interest Revenue	1,800	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>181,618</u>	<u>180,037</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	
<b>Total Rev and Fund Bal</b>	<b><u>1,911,327</u></b>	<b><u>1,944,704</u></b>	<b><u>2,017,235</u></b>	<b><u>2,071,380</u></b>	<b><u>2,127,149</u></b>	
<b>EXPENDITURES</b>						
Debt Service (last payment 2021)	279,600	275,400	276,000	281,200	280,800	Actual
Fiscal Charges	100	100	100	100	100	
Sal and Ben:						
Parks	58,003	60,613	63,341	66,191	69,170	4.5% per year
Administrative	61,208	62,382	63,591	64,948	65,651	
Other Expenditures						
<b>Services &amp; Supplies</b>	<b>182,378</b>	<b>200,000</b>	<b>200,000</b>	<b>225,000</b>	<b>225,000</b>	
Special Events & Activities	60,000	55,000	50,000	45,000	40,000	
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	
Epic Rides	30,000	30,000	30,000	30,000	-	
Michael Hohl Incentive (end date 2020)	480,000	480,000	480,000	58,016	-	
Big 5 / Big Lots Incentive (end date 2026)	45,000	45,000	50,000	50,000	50,000	
Carson Mall Incentive (end date 2029)	115,000	115,000	120,000	120,000	120,000	
Revolving Loan Program	1	1	1	1	1	
PW Event Street Closures	25,000	25,000	25,000	25,000	25,000	
Façade Improvement Program	50,000	20,000	20,000	20,000	20,000	
Downtown Equip & Infrastructure	30,000	5,000	5,000	5,000	5,000	
Utility Assistance Program	40,000	20,000	20,000	20,000	20,000	
East/West Downtown Street Impr	-	200,000	100,000	200,000	-	
William Street Corridor Project	-	101,208	264,202	-	-	
Infrastructure Projects (Undes)	<b>225,000</b>	-	-	<b>610,924</b>	<b>956,427</b>	
Ending Fund Balance	<u>180,037</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	
<b>Total Exp and Fund Bal</b>	<b><u>1,911,327</u></b>	<b><u>1,944,704</u></b>	<b><u>2,017,235</u></b>	<b><u>2,071,380</u></b>	<b><u>2,127,149</u></b>	
<b>Tot Rev less Exp</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	

**Services and Supplies:**

General Fund Internal Service Charges	68,273
Fleet Internal Service Charges	587
Professional Services	20,000
Rent and Utilities	21,718
Advertising/Marketing	9,000
Publications	16,000
Membership & Dues	12,500
X-Mas Ornaments	8,000
Building Repairs	4,800
Power	6,400
Operating Supplies	5,000
Printing	2,500
Telephone	1,800
Travel	1,500
Heating	1,600
Training	1,000
Office Supplies	1,000
Equipment Repair	500
Postage	200
	<b><u>182,378</u></b>