



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

Staff Report To: Redevelopment Authority Citizens Committee

Meeting Date: June 1, 2020

Item 4.A

Staff Contact: Lee Plemel, Director (lplemel@carson.org; 283-7075)

Agenda Title: For Possible Action: Discussion and possible action on a proposed recommendation to the Redevelopment Authority regarding the expenditure of up to \$1,585,427 from the FY 2021 Redevelopment Revolving Fund to support various events, incentives and capital improvement projects as included in the FY 2021 Redevelopment Budget and Capital Improvement Program.

Staff Summary: All expenditures from the Redevelopment Revolving Fund must be authorized by the Redevelopment Authority and Board of Supervisors upon recommendation from the Redevelopment Authority Citizens Committee. The proposed expenditures are for the following approved projects, programs and incentives in the FY 2021 Redevelopment budget: \$25,000 for arts and culture special events, \$25,000 for Nevada Day, \$15,000 for farmers market, \$10,000 for Christmas tree lighting, \$7,500 for July 4th fireworks, \$300,000 for the sales tax reimbursement incentive program for the Southgate Mall and Carson Mall, \$207,927 for Richard Campagni (auto dealer) incentive, \$25,000 for special event street closures, \$50,000 for the Façade Improvement Program, \$20,000 for the Sidewalk and Utility Assistance Program, \$25,000 for the South Carson Street Project maintenance, and \$875,000 for downtown sidewalk, landscaping and lighting improvements.

Proposed Motion: I move to recommend to the Redevelopment Authority approval of the expenditure of up to \$1,585,427 for the proposed projects and incentives in FY 2021.

DISCUSSION:

The Redevelopment budget includes line items that are funded at the sole discretion of the Redevelopment Authority as well as items that are part of the discretionary allocation program for which the Redevelopment Authority Citizens Committee (RACC) makes recommendations. The purpose of this item is to make a recommendation to the Redevelopment Authority to authorize the expenditures for certain recurring and previously approved projects, programs and incentives that are in the FY 2021 Redevelopment budget. The requested approvals for expenditures are:

- \$25,000 for arts & culture events (Culture and Tourism Authority)
- \$25,000 for Nevada Day
- \$15,000 for farmers market
- \$10,000 for Christmas tree lighting
- \$7,500 for July 4th fireworks
- \$300,000 for Southgate Mall and Carson Mall sales tax reimbursement incentive
- \$207,927 for Richard Campagni (auto dealer) incentive

- \$25,000 for special event street closures
- \$50,000 for the Façade Improvement Program
- \$20,000 for the Utility Extension and Sidewalk Improvement Assistance Program
- \$25,000 for South Carson Street Project initial FY 2021 landscape maintenance
- \$875,000 for downtown sidewalk, landscaping and lighting improvements

Other projects and programs in the budget will not be authorized for expenditure until specific requests are made or additional details of the project are available for review and approval. The Redevelopment Authority and Board of Supervisors annually approve the bulk of Redevelopment expenditures in June preceding the upcoming budget year so that the funds are available for expenditure at the beginning of the new fiscal year, July 1.

Attached are the updated 5-year Redevelopment budget projection and the Redevelopment budget presentation that was presented to the Redevelopment Authority by the Carson City Finance Department on April 16, 2020. The activities subject to authorization for expenditure as part of this agenda item are highlighted on the 5-year Redevelopment budget projection. For more details regarding the overall Redevelopment budget, refer to the Redevelopment Authority packet from the meeting of April 16 at www.carson.org/agendas.

Following is a brief summary and status report on some of the projects and programs being authorized for expenditures as part of this agenda item:

Arts and culture special events (\$25,000)

The Redevelopment Authority annually funds arts and culture special events, which are managed through the City's Arts and Culture Director and the Cultural Commission. The Cultural Commission reviews individual requests for arts and culture events and activities and makes a recommendation regarding individual expenditures to the Redevelopment Authority. The Cultural Commission has recommended \$17,197 in funding for certain special events in FY 2021, and the Commission anticipates making a recommendation at a later date to apply the remaining \$7,803 towards public art. For more information regarding the arts and culture special event requests for FY 2021, refer to the Board of Supervisors agenda of June 4, 2020, under the Redevelopment Authority items, at www.carson.org/agendas.

Special event street closures (\$25,000)

The Redevelopment Authority annually funds the cost of street closures for special events. This activity offsets the costs to applicants of putting on events.

Façade Improvement Program (\$50,000)

The RACC authorizes Façade Improvement Program expenditures for individual projects as applications are submitted. The Redevelopment Authority and Board of Supervisors need to authorize the expenditure in order for the RACC to be able to authorize the funds as applications are submitted. No applications were submitted in FY 2020, and unused funds from FY 2020 will be applied towards FY 2021 Undesignated.

Utility Extension and Sidewalk Improvement Assistance Program (\$20,000)

This program has been funded for utility extensions each year for the past several years, but the program was not utilized by any property owners. The program was expanded earlier this year to include sidewalk improvement assistance when such improvements are required by the City with the development of a commercial property. Up to \$5,000 may be requested for sidewalk improvements per project, which may be approved administratively (by staff). Authorization of

the expenditure allows an application to be submitted and reimbursement to be made in accordance with the program guidelines. Up to \$20,000 may be approved for utility extension assistance subject to approval by the RACC.

South Carson Street Project initial FY 2021 landscape maintenance (\$25,000)

Maintenance of the South Carson Street project's sidewalks, pathways and landscaping will be paid for through a Neighborhood Improvement District (NID) assessment of property owners within the area. However, this NID will not be created and the assessment will not be in place before FY 2022, which begins July 1, 2021. The S. Carson Street project is scheduled to be complete in the spring of 2021. This funding was budgeted by the Redevelopment Authority and Board of Supervisors in order to cover the anticipated costs of maintenance

Downtown sidewalk, landscaping and lighting improvements (FY21: \$875,000; FY22 \$550,000)

This project will fund improvements primarily on Curry Street from Musser Street to 5th Street to replace and improve existing sidewalks and landscaping, underground existing overhead power lines, and replace the gas lamps with decorative lighting to match the other new downtown lighting fixtures. Funding for this project was previously spread out over then next five years, but the RACC and Redevelopment Authority approved moving the funding up to the next two years, with \$550,000 allocated for the FY 2022, to complete the project in the spring and summer of 2021.

Following is a summary and status report on other projects budgeted for FY 2021 that will come back to the RACC and Redevelopment Authority separately or at a later date.

Kit Carson Trail historical markers (\$20,000)

When the Redevelopment Authority considered RACC recommendations for FY 2021 discretionary fund projects in March 2020, they included \$20,000 in the budget to assist the Culture and Tourism Authority (CTA) complete the historic marker project that is replacing the former "Blue Line" downtown historic property tour. Since the RACC did not previously consider this project for a recommendation to the Redevelopment Authority, authorization of this expenditure is included as a separate item on this agenda. Please refer to the item on this same agenda for more information regarding this project.

Third Street parking lot improvements (FY20: \$190,000; FY21: \$240,000)

In addition to the \$190,000 budgeted in FY 2020 for this project, an additional \$240,000 was recommended by the RACC for FY 2021 to complete landscaping and parking lot reconfiguration improvements to the City's 3rd Street parking lot. This excluded funding for shade structures that could be used to accommodate the farmers market and other special events. However, at its meeting on December 19, 2019, the Redevelopment Authority postponed the project to FY 2021 for Public Works staff to develop additional design alternatives and to explore other options for the farmers market location, specifically at the Brewery Arts Center. At the direction of the Redevelopment Authority, staff will bring back design options for the RACC's and Redevelopment Authority's consideration for construction in FY 2021.

Fuji Park Fairgrounds grandstands (\$200,000)

Funding was identified for needed grandstand improvements in FY 2021. The Parks Department is currently working on an updated Fuji Park master plan, which should include a fairgrounds capacity analysis and recommendations regarding improvements to the grandstands. The grandstand improvements will not occur until the results of the Fuji Park

master plan are presented to the Board of Supervisors and further direction is given regarding fairgrounds arena improvements.

William Street corridor project (FY21: \$85,000; FY22 \$300,000)

This project is planned to be the next corridor improvement project after the South Carson Street project is completed. A large part of the funding for this project will come from the one-eighth percent sales tax identified for these projects. Design work on this project may start in FY 2021, which is the intent of the initial \$85,000 in the budget. However, pending the timing of the South Carson Street project and other City Public Works projects, as well as the ability to obtain additional grant funding for the project, this project may be pushed back to begin in FY 2022. Public Works staff will provide updates throughout FY 2021.

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

Attachments:

- A) Updated 5-Year Redevelopment Budget Projection (with proposed expenditure authorizations highlighted)
- B) Budget presentation to Board of Supervisors from April 16, 2020

Carson City Redevelopment Authority
Projection
FY 2021 - FY 2025

ATTACHMENT A

	FY 2021 Projection	FY 2022 Projection	FY 2023 Projection	FY 2024 Projection	FY 2025 Projection
REVENUES					
Property Taxes	\$ 2,321,195	\$ 2,414,043	\$ 2,510,605	\$ 2,611,029	\$ 2,715,470
Interest Revenue	16,500	16,500	16,500	16,500	16,500
Charges for Services	7,500	7,500	7,500	7,500	7,500
Beginning Fund Balance	713,045	200,000	200,000	200,000	200,000
Roll-Forward					
Total Rev and Fund Bal	\$ 3,058,240	\$ 2,638,043	\$ 2,734,605	\$ 2,835,029	\$ 2,939,470
EXPENDITURES					
Debt Service (last payment 2021)	\$ 280,800	\$ -	\$ -	\$ -	\$ -
Fiscal Charges	100	-	-	-	-
Sal and Ben:					
Salary	138,738	144,981	151,505	158,323	165,448
Benefits	56,225	58,755	61,399	64,162	67,049
Other Expenditures					
Services & Supplies (602)	169,542	180,000	180,000	180,000	180,000
Professional Services*	-	-	-	-	-
Special Events & Activities	-	-	-	-	-
Arts & Cultural Events	25,000	25,000	25,000	25,000	25,000
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
July 4th Fireworks	7,500	7,500	7,500	7,500	7,500
Epic Rides	-	-	-	-	-
Michael Hohl Incentive (end date 2020)	-	-	-	-	-
Sales Tax Incentive Program	300,000	309,000	318,270	327,818	337,653
Campagni Incentive	207,927	216,244	224,894	233,890	243,245
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	50,000	50,000	50,000	50,000
Downtown Equip & Infrastructure	-	-	-	-	-
Utility Extension/Sidewalk Assist	20,000	20,000	20,000	20,000	20,000
Downtown Gateway Feature	-	-	-	-	-
Park signs	-	-	-	-	-
East/West Downtown Street Impr	-	-	-	-	-
William Street Corridor Project	85,000	300,000	-	-	-
South Carson Street Project	25,000	-	-	-	-
Downtown Improvements	875,000	550,000	-	-	-
Bob Boldrick Theater	-	-	-	-	-
Fuji Fairgrounds arena sound sys.	-	-	-	-	-
3rd Street parking lot	240,000	-	-	-	-
Aquatic facility pool deck resurface	-	-	-	-	-
Children's museum outdoor remodel	-	-	-	-	-
Fuji Park grandstands	200,000	-	-	-	-
Kit Carson Trail Historical Marker	20,000	-	-	-	-
Undesignated	82,407	501,562	1,421,036	1,493,335	1,568,575
Ending Fund Balance	200,000	200,000	200,000	200,000	200,000
Total Exp and Fund Bal	\$ 3,058,240	\$ 2,638,043	\$ 2,734,605	\$ 2,835,029	\$ 2,939,470
Tot Rev less Exp	\$ -	\$ -	\$ -	\$ -	\$ -

Expenditures for approval

Carson City Redevelopment Authority FY 2021 Tentative Budget & Capital Improvement Program



FY 2021 Highlights

- **Property Taxes** – Assessed valuation is increasing by 6.0%, the property tax cap is **3.0%** on residential and **3.6%** on commercial property. Property tax revenues are expected to increase by \$82,546 (3.7%) for FY 2021.
- **Personnel** – No change in FTE assigned to the fund. Projections are personnel costs will increase \$10,096 (5.5%).
- **Services & Supplies** – Services and supplies were reduced for projected changes in program plans.
- **Capital Projects** – Capital Outlay is budgeted at an increase from prior year, \$143,537 (11.0%).

Summary – All Funds

Department Name: Redevelopment Authority					
Department Number: 602 , 603, and 604					
	2018-19 Actual	2019-20 Estimated	2020-21 Proposed	% Change Budget	\$ Change Budget
REVENUE					
Ad Valorem Taxes	\$ 2,145,722	\$ 2,238,649	\$ 2,321,195	3.69%	\$ 82,546
Miscellaneous	83,155	40,000	24,000	-40.00%	(16,000)
Operating Transfers In	1,590,183	2,264,456	2,057,295	-9.15%	(207,161)
Beginning Balance	1,164,887	1,038,772	630,638	-39.29%	(408,134)
TOTAL	\$ 4,983,947	\$ 5,581,877	\$5,033,129	-9.83%	\$ (548,748)
EXPENDITURE					
Salaries	\$ 126,773	\$ 132,750	\$ 138,738	4.51%	\$ 5,988
Benefits	50,747	52,117	56,225	7.88%	4,108
Service & Supplies	707,510	1,041,753	855,070	-17.92%	(186,683)
Capital Outlay	1,193,962	1,178,963	1,445,000	22.57%	266,037
Principal	245,000	260,000	270,000	3.85%	10,000
Interest	31,000	21,200	10,800	-49.06%	(10,400)
Operating Transfers Out	1,590,183	2,264,456	2,057,295	-9.15%	(207,161)
Ending Fund Balance	1,038,772	630,638	200,000	-68.29%	(430,638)
TOTAL	\$ 4,983,947	\$ 5,581,877	\$ 5,033,129	-9.83%	\$ (548,748)
FTE	2.02	2.02	2.02		

Carson City Redevelopment Authority								
Breakdown of Revenues and Expenditures by Area								
FY 2021 Budget								
							55%	45%
							Dist 1	Dist 2
							(Downtown)	(So Carson)
						Total		
REVENUES								
	Property Taxes					\$ 2,321,195	\$ 1,276,657	\$ 1,044,538
	Interest Revenue					16,500	9,075	7,425
	Charges for Services:					7,500	7,500	-
	Beginning Fund Balance					630,638	346,851	283,787
	Total Rev and Fund Bal					\$ 2,975,833	\$ 1,640,083	\$ 1,335,750
EXPENDITURES								
	Debt Service					\$ 280,800	\$ 280,800	\$ -
	Fiscal Charges					100	100	-
	Sal and Ben:							
	Parks					64,990	64,990	-
	Administrative					129,973	71,485	58,488
	Other Expenditures							
	Services & Supplies					169,542	105,161	64,382
	Special Events & Activities					107,500	107,500	-
	Big 5/Big Lots Incentive					60,000	-	60,000
	Carson Mall Incentive					110,000	-	110,000
	Nissan Incentive					130,000		130,000
	Campagni Incentive					207,927	-	207,927
	Utility Assistance Program					20,000	20,000	
	Revolving Loan Program					1	1	-

Carson City Redevelopment Authority									
Breakdown of Revenues and Expenditures by Area									
FY 2021 Budget									
							55%	45%	
							Dist 1	Dist 2	
							(Downtown)	(So Carson)	
							Total		
	Façade Improvements						50,000	27,500	22,500
	Downtown Impr						875,000	875,000	
	South Carson Street Impr						25,000	-	25,000
	3rd Street Parking Lot Rehab.						240,000	240,000	
	Williams St. Corridor Proj.						85,000	85,000	
	Downtown Equipment						220,000	220,000	-
Ending Fund Balance							200,000	110,000	90,000
Total Exp and Fund Bal							\$ 2,975,833	\$ 2,207,537	\$ 768,296
Tot Rev less Exp							\$ -	\$ (567,454)	\$ 567,454
Services and Supplies:									
General Fund Internal Service Charges							\$ 52,700	\$ 28,985	\$ 23,715
Professional Services							20,000	11,000	9,000
Rent and Utilities							21,710	11,941	9,770
NID Maintenance							26,472	26,472	-
Advertising/Marketing							9,000	4,950	4,050
Membership & Dues							8,000	4,400	3,600
Misc Serv & Supp (dues, supplies, etc.)							31,660	17,413	14,247
							\$ 169,542	\$ 105,161	\$ 64,382

FY 2021 - FY 2025

6

Next Steps

- **May 21st Board of Supervisors Meeting** – Presentation and adoption of the FY 2021 Final Budget.
- **June 1st** – Final adopted budget to be filed with the county clerk and the Department of Taxation.