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Carson City, Nevada 89701
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Hearing Impaired: 711

Staff Report To: Redevelopment Authority Citizens Committee

Meeting Date: August 3, 2020

Item 4.D

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

Agenda Title: For Possible Action: Discussion and possible action regarding funding priorities for Redevelopment expenditures over the next five years.

Staff Summary: The RACC and Redevelopment Authority annually evaluate expenditures of undesignated Redevelopment funds over the following five years. The purpose of this item is to make recommendations to the Redevelopment Authority regarding the types of projects that should be considered over the next five years to assist the Authority in creating a policy regarding future expenditures.

Proposed Motion: I move to recommend to the Redevelopment Authority the funding priorities as outlined by the Committee at this meeting.

DISCUSSION:

The Board of Supervisors has identified the establishment of Redevelopment expenditure priorities as one of its goals for the next year. As prior Redevelopment expenditure obligations have ended in the last couple of years, the Redevelopment Fund is expected to have more significant amounts available in the "undesignated" account in upcoming years than has been available in the recent past. Undesignated funds are those funds in the budget that have not been identified for expenditure on a specific project or program.

Attached is the FY 2021 Redevelopment Discretionary Funds Budget Allocations and Projects table that was approved by the Board of Supervisors in March 2020. This table shows projects and programs funded from discretionary funds based on recommendations from the Redevelopment Authority Citizens Committee (RACC). Also attached for reference is the complete Redevelopment budget five-year projection. As shown in these tables, available undesignated funds are anticipated to be approximately \$500,000 in FY 2022 and approximately \$1.5 million per year for the following years.

The purpose of this agenda item is for the RACC to discuss and make recommendations regarding priorities for the types of expenditures that Redevelopment should focus on over the next few years. It is not the intent to identify specific projects at this time, but to help development a policy on how undesignated funds should be used. Once a policy is developed and approved by the Board of Supervisors, staff will help identify specific projects and programs, as applicable, to bring back to the RACC for consideration.

Additionally, the establishment of priorities may lead to the need to update the Redevelopment Area Plans. Identifying the priorities of Redevelopment is the first step in this process.

Generally, Redevelopment funding priorities have been as follows for about the last 10 years:

1. Capital improvements with a general public benefit (e.g. sidewalks, plazas, landscaping, etc.)
2. Individual property incentive program for exterior façade improvements
3. Individual property incentive program for public spaces (e.g. sidewalks)

The Board of Supervisors suspended the incentive program for private property improvements (e.g. interior tenant improvements) in 2010, removing this type of incentive from the priority list. Also, Redevelopment funds have generally not been used for ongoing maintenance of public improvements, such as downtown sidewalk cleanup and landscaping.

As the efforts of Redevelopment have shifted towards the construction of capital improvements such as the downtown sidewalks and landscaping, this has brought up the question of where the funding will come from to maintain these new improvements to an acceptable level. When the Downtown Streetscape project was constructed in 2016 and 2018, maintenance of those improvements was specifically funded through a Neighborhood Improvement District (NID), which assessed the property owners within that area for the ongoing maintenance costs.

However, the assessment and the agreement between the property owners and the City were for the maintenance of those original improvements only, and the assessment is based on the cost of only that maintenance. As the City adds additional improvements to the sidewalks and adds landscaping, there is presently no funding identified for ongoing maintenance without increasing the City budget to account for that maintenance (i.e. Parks staff to maintain the improvements or additional funding to NID to add the maintenance). The RACC and Redevelopment Authority may consider identifying Redevelopment capital improvement project maintenance as a priority for upcoming years in order to be able to continue to make such improvements within the Redevelopment Areas without significantly impacting other portions of the City budget.

The RACC may consider recommendations regarding the following categories or may add categories to the priority list.

- Capital improvements (e.g. sidewalks, plazas, landscaping, etc.)
- Maintenance of capital improvements
- Individual property incentive programs for public spaces (e.g. sidewalks)
- Individual property incentive programs for façade improvements
- Individual property incentive programs for private property (e.g. interior tenant improvements)

The RACC should also review the objectives and activities from the Redevelopment Area Plans, attached, and may include some of those activities as priorities for upcoming years. (Note: most of the activities from the Plans fall into the categories noted above.)

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

Attachments:

- 1) Redevelopment discretionary/undesignated funds 5-year budget allocations
- 2) Complete Redevelopment budget 5-year projection

- 3) Redevelopment Area 1 Plan objectives and activities
- 4) Redevelopment Area 2 Plan actions and activities

FY 2021 Redevelopment Discretionary Funds Budget Allocations and Projections

Objective/Project/Program	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	5-year Total
Special event support, street closures	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 125,000
Façade Improvement Program	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000
Arts & Culture Commission/Events	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 125,000
Utility extension/sidewalk assistance	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 100,000
Downtown Sidewalk Improvements	\$ 875,000	\$ 550,000				\$ 1,425,000
3rd Street parking lot rehabilitation	\$ 240,000					\$ 240,000
William Street corridor project	\$ 85,000	\$ 300,000				\$ 385,000
Fuji Park grandstands	\$ 200,000					\$ 200,000
Kit Carson Trail historic markers	\$ 20,000					\$ 20,000
S. Carson Street (landscape maintenance)	\$ 25,000					\$ 25,000
						\$ -
Roll Forward:	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Expenditures (excl. Roll Forward):	\$ (1,565,000)	\$ (970,000)	\$ (120,000)	\$ (120,000)	\$ (120,000)	\$ (2,895,000)
Undesignated¹:	\$ 125,527	\$ 501,562	\$ 1,421,036	\$ 1,493,335	\$ 1,568,575	\$ 5,110,035

Updated June 22, 2020¹

\$ 501,562 \$ 1,421,036 \$ 1,493,335 \$ 1,568,575

Highlighted = Expenditures authorized by the Board of Supervisors

1. Includes \$43,120 added from FY20 Aquatic Center Pool Resurfacing project savings.

Prior Undesignated \$ 82,407

Pool savings \$ 43,120

Carson City Redevelopment Authority
Projection
FY 2021 - FY 2025

	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	\$ -	\$ -	\$ -	\$ -	\$ -

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.

SECTION 400 - REDEVELOPMENT ACTIVITIES AND PROCEDURES

401. General: The redevelopment of the Project Area will be undertaken pursuant to and in conformance with State Law. The Authority proposes to eliminate and prevent the spread of blight and deterioration in the Project Area by:

- A. Acquisition of certain real property where necessary;
- B. Demolition or removal of certain buildings and improvements;
- C. Providing for participation by owners and tenants presently located in the Project Area by extending options to remain or relocate within the redeveloped Project Area;
- D. Management of property under the ownership and control of the Authority;
- E. Relocation assistance to displaced residential and non-residential tenants;
- F. Installation, construction, or reconstruction of streets, utilities, and other public improvements;
- G. Disposition of property for uses in accordance with this Plan;
- H. Redevelopment of land by private enterprise or public agencies for uses in accordance with this Plan;
- I. Explore methods of assisting the City's Architectural Review Committee in conjunction with their undertaking the design of restoration and rehabilitation work for officially designated historic structures and places;
- J. Rehabilitation of structures and improvements by present owners, their successors and/or the Authority;
- K. The Redevelopment Authority may operate a rehousing bureau to assist site occupants in obtaining adequate temporary or permanent housing. Pursuant to NRS 279.476, the Authority may incur any necessary expenses for this purpose; and
- L. The Authority may loan money, obtained from whatever source, to businesses to assist and encourage them to locate in the Redevelopment Area.

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.