

CARSON CITY REDEVELOPMENT AUTHORITY

Minutes of the February 19, 2009 Meeting

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A meeting of the Carson City Redevelopment Authority was held during the regularly scheduled Board of Supervisors meeting, on Thursday, February 19, 2009 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Chairperson *Pro Tem* Shelly Aldean
Member Robert Crowell
Member Pete Livermore
Member Molly Walt

STAFF: Larry Werner, City Manager
Alan Glover, Clerk - Recorder
Joe McCarthy, Business Development Manager
Tammy Westergard, Deputy Business Development Manager
Melanie Bruketta, Chief Deputy District Attorney
Kathleen King, Recording Secretary

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

CALL TO ORDER AND ROLL CALL (12:31:13) - Chairperson *Pro Tem* Aldean called the meeting to order at 12:31 p.m., and recessed the meeting to provide Mr. McCarthy and Ms. Westergard an opportunity to set up their presentation. Chairperson *Pro Tem* Aldean reconvened at 12:34 p.m.

ACTION ON APPROVAL OF MINUTES - January 15, 2009 (12:34:48) - Chairperson *Pro Tem* Aldean requested a revision to item 8(B). Member Livermore moved to approve the minutes, as revised. Member Crowell seconded the motion. Motion carried 4-0.

12. OFFICE OF BUSINESS DEVELOPMENT - DISCUSSION AND POSSIBLE ACTION TO ADOPT REDEVELOPMENT INCENTIVE PROGRAMS, ALONG WITH POLICIES, PROCEDURES, AND INTERNAL BUSINESS PRACTICES, MISSION STATEMENTS, OBJECTIVES, MEASUREMENT INDICATORS, APPLICATION PROCESSES, FLOWCHARTS, AND REPORTING REQUIREMENTS (12:35:45) - Chairperson *Pro Tem* Aldean introduced this item. Business Development Manager Joe McCarthy responded to questions regarding amendments made to the incentive program policies, procedures, and application materials following the February 11, 2009 redevelopment authority citizens committee ("RACC") meeting. In response to a comment, Chairperson *Pro Tem* Aldean noted there were two members of the RACC present in the meeting room.

Mr. McCarthy provided background information on this item, and reviewed the agenda materials in conjunction with a PowerPoint presentation. In response to a question, Ms. Bruketta advised that Board of Supervisors approval is required whenever there is "construction involved." Chairperson *Pro Tem* Aldean explained the distinctions between the pre-development incentive and the property improvement and assistance programs. Mr. McCarthy advised that "both programs are project-specific," and that the Redevelopment Authority will have oversight of both. Chairperson *Pro Tem* Aldean pointed out a necessary revision to ensure consistency. In response to a question, Mr. McCarthy provided a hypothetical

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example to demonstrate the point in the process at which resources are committed. Chairperson *Pro Tem* Aldean noted the reimbursement-basis of the programs, and suggested “if an applicant doesn’t have the funds to do this up-front work, they’re probably not a good risk.”

Ms. Bruketta suggested combining the pre-development incentive and property improvement and assistance programs, and discussion ensued. In response to a question, she advised that applications for both programs would require Board of Supervisors consent. She acknowledged that every application would be reviewed by the RACC, the Redevelopment Authority, and the Board of Supervisors. She clarified that state law doesn’t require the Board of Supervisors to serve as the Redevelopment Authority.

Mr. McCarthy described the proposed processes as “very streamlined ... and transparent,” based on the excellent recommendations of the RACC. He reviewed the history of redevelopment incentive program successes in both redevelopment areas. In response to a question, he reviewed the repayment provisions of both programs. Member Crowell noted there was no provision for repayment of incentive funding if a project is not developed. Chairperson *Pro Tem* Aldean suggested that since the programs are reimbursement-based, “they don’t get reimbursed until they break ground on a project.” She further suggested including specific language to ensure understanding of the declining lien to be attached to the property. Member Livermore suggested including language to provide for repayment of incentive funding within a certain period of time after a business is closed and marketed for sale. Discussion followed, and Chairperson *Pro Tem* Aldean noted the element of risk associated with each of the programs. Ms. Bruketta reminded the Redevelopment Authority of the required incentive program finding that the project has no other reasonable means of financing. In response to a question, Mr. McCarthy advised of no history of requiring personal guarantees. In response to a further question, he advised of having asked a number of applicants. “Generally, the answer is not that they don’t want to do it, but ... there is some ramifications ... legally, for putting up a personal guarantee.”

Mr. McCarthy advised of the original Redevelopment Authority goal to “rehabilitate the built environment for future use within some blighted properties.” Curing blight opens the marketplace to a lot of different uses over the years. In response to a question, Mr. McCarthy referred to the agenda materials as “the full presentation.” In response to a further question, he provided additional clarification regarding funding levels and required Redevelopment Authority consideration and approval, as pertinent to the pre-development incentive program; and the term “business assistance,” as designated in the property improvement and assistance program. Ms. Bruketta advised of having researched the possibility of allocating redevelopment funding for rent assistance, and that the statute does not to allow it. She further advised that loans would not be permitted by the statute. Member Walt suggested considering a requirement to allocate a certain portion of the incentive funding toward infrastructure, and discussion followed.

In consideration of the discussion, Chairperson *Pro Tem* Aldean suggested deferring action on this item. In response to a question, Mr. McCarthy advised that no new applications have been submitted, but there is a “backlog of projects that are just waiting to do their homework, to fill out this application, get it in front of the citizens committee, and start making their case.” He acknowledged no commitments have been made to any applicant. Member Crowell noted the value of the subject discussion, suggested a motion to suspend redevelopment commitments and programs until such time as the policies and procedures are in place, and a commitment to finalizing the policies and procedures within the next 30 to 60 days. Ms. Bruketta noted the District Attorney’s Office does not typically become involved in policy decisions, but strongly

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recommended the Redevelopment Authority follow Member Crowell's advice to place a moratorium on all redevelopment authority spending until such time as District Attorney's staff has the opportunity to brief the Redevelopment Authority on any legal issues. Mr. Werner agreed, and advised of having discussed with Mr. McCarthy the need to develop policies for special events. Chairperson *Pro Tem* Aldean suggested scheduling any associated public meetings for after 6:00 p.m. in order to provide for public participation. In response to a comment, she suggested addressing special events within the existing advisory committees so as to avoid creating additional committees. She further suggested including certain membership criteria in an amendment to the resolution which created the redevelopment authority citizens committee. Following discussion, Mr. McCarthy advised that the resolution would need to be amended to provide for the advisory committee to serve as a review board for special events. Ms. Bruketta requested that any redevelopment funding allocation be submitted to the District Attorney's Office for review to ensure compliance with the pertinent statute.

Chairperson *Pro Tem* Aldean opened this item to public comment. (1:29:33) Stan Jones advised of having reviewed the policies and procedures, and agreed "there are still a lot of unanswered questions ..." He suggested including more specificity with regard to the funding criteria; developing criteria to address the possibility of a second application for redevelopment incentive funding; and developing an evaluation / scoring matrix for use by the RACC. He expressed support for combining the pre-development incentive and property improvement and assistance programs, and for requiring a certain portion of incentive funding to be allocated to infrastructure. He discussed suggestions for infrastructure improvements along Curry Street, including sidewalk improvements, installation of trash receptacles, and installation of signage. He expressed support for the RACC to have purview over special events.

(1:34:55) Jed Block suggested that the statutory prevailing wage provisions should have applied to the Presbyterian Church project. He expressed support for combining the pre-development incentive and property improvement and assistance programs, for requiring personal guarantees, and for requiring permanent façade improvements. He expressed concern over the lack of sufficient lighting along Curry Street, and support for infrastructure improvements.

Deputy Business Development Manager Tammy Westergard requested clarification of the Redevelopment Authority members as to direction. She expressed the understanding that the Redevelopment Authority has purview over projects, which can be presented in several categories, including public / private partnerships, infrastructure, and special events. Chairperson *Pro Tem* Aldean noted that all of the listed activities "are competing for a finite resource, the redevelopment dollar." Mr. Werner acknowledged the discussion had expanded beyond the redevelopment incentive programs. With regard to the pre-development incentive and property improvement and assistance programs, Ms. Westergard advised that much of the specificity is included in the objectives portion of the pre-application process. In response to a previous question regarding property owners who have received previous redevelopment funding, she read into the record application eligibility requirements. In response to a question, Member Crowell discussed general statewide concern over redevelopment; and personal concern over ensuring that Carson City's Redevelopment Authority programs are compliant with state statute in a process which is easily understood by the general public, and that the taxpayers are "getting the very best deal ..." In response to a comment, Chairperson *Pro Tem* Aldean discussed the importance of producing the very best program possible. In response to a question, she suggested developing a separate application process for special events. Mr. McCarthy advised that staff would develop a very specific program relative to special events for review by the Redevelopment Authority.

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Chairperson *Pro Tem* Aldean called for additional questions or comments and, when none were forthcoming, entertained a motion. **Member Crowell moved that (1) no redevelopment authority funds will be expended or promised to be expended until the policies and procedures are in place and approved by the redevelopment authority and, where appropriate, the Board of Supervisors; (2) that there will be no funds expended for any special events or infrastructure funding projects currently in place unless approved by the District Attorney to ensure those funds are expended in compliance with the law; (3) that we will hold a special redevelopment authority meeting to complete the policies and procedures that will address projects, infrastructure, and special events, and that we will set an internal guideline to have all those done by the end of April 2009; and that if the redevelopment staff believes it would be helpful for them to have consulting services provided to assist with crafting these rules and regulations, to so advise and we will consider approving those funds. Member Livermore seconded the motion.** Discussion took place with regard to a special Redevelopment Authority meeting, and Chairperson *Pro Tem* Aldean called for a vote on the pending motion. **Motion carried 4-0.** Chairperson *Pro Tem* Aldean thanked Mr. McCarthy and Ms. Westergard.

ACTION TO ADJOURN (1:48:11) - Chairperson *Pro Tem* Aldean adjourned the meeting at 1:48 p.m.

The Minutes of the February 19, 2009 Carson City Redevelopment Authority meeting are so approved this _____ day of March, 2009.

ROBIN L. WILLIAMSON, Chair

ATTEST:

ALAN GLOVER, Clerk - Recorder