

CARSON CITY REDEVELOPMENT AUTHORITY
Minutes of the April 6, 2006, Meeting
Page 1

A meeting of the Carson City Redevelopment Authority was held during the regularly scheduled meeting of the Carson City Board of Supervisors on Thursday, April 6, 2006, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, which began at 8:30 a.m.

PRESENT: Chairperson Robin Williamson and Members Marv Teixeira, Shelly Aldean, Pete Livermore, and Richard S. Staub

STAFF PRESENT: City Manager Linda Ritter, Clerk-Recorder Alan Glover, Redevelopment/Economic Development Manager Joe McCarthy, Chief Deputy District Attorney Melanie Bruketta, and Recording Secretary Katherine McLaughlin (B.O.S. 4/6/06 Tape 1-2175)

NOTE: Unless otherwise indicated, each item was introduced by staff's reading/outlining/clarifying the Agenda Report and/or supporting documentation. Staff members making the introduction and any other individuals who spoke are listed immediately following the item heading. A tape recording of these proceedings is available for review and inspection during normal business hours.

Mayor Teixeira recessed the Board of Supervisors session and passed the gavel to Redevelopment Authority Chairperson Williamson. Chairperson Williamson convened the meeting by indicating for the record that the entire Authority was present, constituting a quorum. (See Board of Supervisors Minutes for this date for discussion/action on the other Agenda items.)

A. ACTION ON APPROVAL OF MINUTES - 2/16/06 (1-2185) - Member Aldean moved to approve the Minutes of the Carson City Redevelopment Authority for 2/16/06 as presented. Member Livermore seconded the motion. Motion carried 5-0.

B. ACTION TO ADOPT A RESOLUTION BY THE CARSON CITY REDEVELOPMENT AUTHORITY RECOMMENDING TO THE CARSON CITY BOARD OF SUPERVISORS AN AMENDMENT TO THE REDEVELOPMENT PLAN FOR PROJECT AREA NO. 2 BY ADDING UP TO 162 PARCELS OF REAL PROPERTY LOCATED IN SOUTH CARSON CITY TO THE EXISTING REDEVELOPMENT PLAN AREA AND CAUSING NO SUBSTANTIAL CHANGE TO THE COMMUNITY'S MASTER PLAN, PURSUANT TO NRS 279.608 (1-2189) - Redevelopment/Economic Development Manager Joe McCarthy, David Ruf, Ida Walker, James Spencer, Jean Bondiatt, Gene Munnings Tom Keeton, Bruce Snyder - Member Aldean disclosed that she is a stockholder in a corporation which owns property in the extended Redevelopment area. She advised that she will abstain from the discussion and vote on this issue. She also noted for the record that as a member of the Redevelopment Authority and the Board of Supervisors that none of the companies in which she has investments will be eligible to receive incentives which may be available as a result of this plan. Member Staub disclosed that he also owns property in the potential Redevelopment area and understands that those properties will not be eligible for incentives. He will abstain from voting on this item.

RECESS: A recess was declared at 10:06 a.m. The entire Authority was present when Chairperson Williamson reconvened the meeting at 10:15 a.m., constituting a quorum.

CARSON CITY REDEVELOPMENT AUTHORITY
Minutes of the April 6, 2006, Meeting
Page 2

Mr. McCarthy gave a slide presentation highlighting the proposed program, its benefits, and the success of the downtown area. Eminent domain restrictions and the prohibition against the use of eminent domain to obtain residences were noted. The restricted purposes under which its use is allowed were limited. An agreement will be developed with the School District repaying the District for any lost funding due to the program. The proposal adds 162 parcels to the project. It will grow sales taxes from other sources beyond auto sales. Maps illustrating the area were shown. The resolution will begin the public participation process. Workshops with the property owners will be held on April 13 and 20. If additional workshops are needed, they will be scheduled. The property owners do not have to join the District. Mr. McCarthy has been receiving a lot of inquiries from property owners outside the proposed area who want to join the program. A second addendum to the area may be proposed. The ordinances implementing the change will be considered by the Board on May 4 and 18. These dates may be changed if the public participation process takes longer than envisioned.

Chairperson Williamson explained that the Economic Vitality Group and the Corridor Group had recommended that the area be part of a Redevelopment District. The auto sector portion was implemented in 2004.

Mr. McCarthy described the group of individuals who had worked on the program and justified implementation of the auto sector as the first project in the area. It is important that the community recognize that the program will work and is a benefit to the City. The incentive program with the Campagni group was cited as an illustration of how successful it can be. A template was created for an incentive sales program for the auto sector. It established a fair and equitable program which was successful as indicated by the Campagni group. He is working with others to expand the program and grow their sales.

Member Livermore pointed out the redevelopment success that had taken place at the former Supply One site. The results are beautiful. This was done with private funding. The Redevelopment program could have assisted that property owner in the renovation of the site had it been expanded earlier. He also believed that the Economic Vitality Group's work was successful. It had called for expanding the redevelopment program which the Authority is now discussing. He indicated that it is not possible for the City to consider all three of its proposed areas at one time. They are, however, working diligently to produce new and exciting projects and opportunities. Public comments were solicited.

Mr. Ruf explained his participation in the Economic Vitality/corridor group(s). He explained the need for the public to understand that the funds for redevelopment are given for restricted purposes and on a reimbursement basis only. The program is working and has worked in the downtown area. He had been asking for the program in his area for a long time. Many of his neighbors are joining him in the program. Others in the neighborhood also want to join the programs. He looked forward to seeing the investment influx that will occur as a result of the program. The program will not be used to "rip people from their homes or businesses". The committee had spent hours developing a comprehensive workable program. Incentives are needed to make redevelopment work. They will be asking people in blighted areas to make changes and will provide funding to encourage those changes. He asked the Authority to approve expanding the district.

Mr. McCarthy explained for Ms. Walker that the Washoe Tribal land is not part of the proposed District. Two sides of the Tribal land may abut the District. It does not at this time surround the Tribal land.

Mr. Spencer explained that he and his wife own a home in the Clear Creek Mobile Home Park. They are

CARSON CITY REDEVELOPMENT AUTHORITY
Minutes of the April 6, 2006, Meeting
Page 3

concerned that when Bodine's is converted to a casino, their park will be sold/converted to commercial development also. This will force the residents to relocate. The difficulty that will be encountered when the residents of the park try to move their older mobiles including the financial burden it will create was briefly described. He did not want to be surprised when this decision is made. He was also worried about the freeway interchange which will be within a "few feet" of his home as well as the potential for flooding in his park. He asked that someone explain what will be happening in his area, where the interchange will be located, the definition of "blight", the plans for the park, etc. He also explained that the park owner has not put any money into the park in two years. He asked that someone explain his rights to him and what the residents can do to protect themselves.

Mr. McCarthy explained the need to meet with the property owners and residents to explain the ramifications of the program. He acknowledged that Mr. Spencer had touched on a sensitive issue about the mobile home park and the tenants' rights if a park owner wants to sell for commercial development. Redevelopment may not create this situation but it can happen.

Chairperson Williamson explained that Redevelopment is a tool that works with property owners to make improvements. The District will help them create/develop commercial property to increase the City's sales tax revenue. It does not dislocate or relocate residents. It provides an opportunity to expand the City's revenue sources while attempting to retain the City's uniqueness.

Mr. Spencer explained the plan to build a casino at the present Bodine's site. He could understand the dislike for having a trashy trailer park across from a new mansion. He, however, did not know what to do about this situation. He did not believe that anyone will want to look across a street or out a front window at a casino. Should he sell his property and leave the area before the casino is built? Or should he wait and see what happens? He felt stuck and could not find anyone with any answers. Mr. McCarthy was directed to talk to Mr. Spencer.

Ms. Bondiett explained the rural environment she had surrounding her home when she purchased the one acre 20 years ago. Commercial development is now encroaching on her and beginning to surround her home. A developer has proposed two story "row" houses which will create a brick wall and destroy her view of the valley. She questioned the impact it will have on her rural lifestyle with livestock and fowl. She felt that her traditional and historical use of the site should be grandfathered. She asked if she will be forced to connect to the City's water and sewer service when it is extended for the commercial development. She indicated that she will attend the workshops and work with the City on these issues. She also indicated that the development will impact her investment in her home.

Chairperson Williamson explained that her usage will be grandfathered. She explained that the ad valorem tax cap will prevent the taxes from increasing more than 3%. The formation of a Redevelopment District allows the taxes to be placed in a special account rather than the General Fund. She also indicated that it will not be necessary for her to connect to the City's sewer and water service until her system(s) fail.

Ms. Bondiett explained her belief that zoning is a promise. The City should not be allowed to change it. Chairperson Williamson explained that the zoning remains the same. Redevelopment does not change it. The Master Plan is a concept. The zoning will not change until the public process allows the change to occur.

CARSON CITY REDEVELOPMENT AUTHORITY
Minutes of the April 6, 2006, Meeting
Page 4

Member Livermore explained that in time her view and desire may change her lifestyle from her current uses. She may, at that time, want to retire and travel. Redevelopment could at that time help her relocate or dispose of the property at a higher value. He explained the changes he had made in his life even though his home is located in a similar rural environment. Ms. Bondiott indicated that she understood the economics but felt that it will cost her and not be beneficial to her. Additional public comments were solicited.

Mr. Munnings explained that he has a small business located in the former Wal-Mart site. His landlord wants to build a project which will provide more than \$100,000 in revenue to the City each month and more than 600 jobs for the community. He wants Redevelopment to occur and for his project to move forward.

Member Teixeira explained that the City is not stopping him from doing his project. Mr. Munnings indicated that the property owner is the one who is blocking it. Member Teixeira felt that it was one of the stores located in the shopping mall. The issue had been taken to court where Mr. Munnings' landlord had lost the case. The issue cannot be discussed by the Authority and Mr. Munnings should not cast disparaging remarks about Ms. Aldean. His landlord should be making the comments. The Authority/Board had not done anything to derail his project. The issue is not one the City/Authority can address.

Mr. McCarthy felt he had a good relationship with the landlord. Redevelopment is an opportunity to work with the property owners to do a job. He felt that Redevelopment may be able to do the landlord's project or any other project he proposes. Redevelopment does not impede a project but rather facilitates the rehabilitation of buildings.

Mr. Keeton originally felt that he would never see redevelopment occur in the proposed area. He felt that the groups' proposal was the size of an "elephant" and that the City addressing a portion of it. He will be happy to see the Highway 50 district occur. He appreciated all of the work that had been done on the project. He urged the three Authority Members who can vote for the project to support it.

Mr. McCarthy explained that the Authority had previously directed him, as one of its goals, to look at the opportunity for establishing a Redevelopment District along Highway 50. If the proposed area is successful and he continues at a prudent pace, Highway 50 will be done when the time is right and it makes sense to do it.

Mr. Snyder indicated that he had serious concerns and has had them for two or three years. He felt that the proposed project for the former Wal-Mart site is depressing. The shopping center tenants were purportedly very concerned. He appreciated the Authority's efforts to make something happen. The only thing that had happened in the area during the last two to three years was the Fandango Casino. It brings people to Carson City. The empty stores in the Southgate Shopping Center are depressing. He acknowledged that Douglas County also has empty stores. Carson City is losing revenue and should not wait three or four years to make something happen. He felt that the owner of the former Wal-Mart building should be forced to come to the table, sell, or do something. A leader store and a variety of small stores need to be brought in to generate a good tax revenue. He indicated that he had been lucky as his shopping mall is 96% occupied. He repeated his request that the Authority do something positive for the area. Additional public comments were solicited but none were given.

CARSON CITY REDEVELOPMENT AUTHORITY
Minutes of the April 6, 2006, Meeting
Page 5

Member Livermore moved to adopt Resolution No. 2006-RAR-2, A RESOLUTION BY THE CARSON CITY REDEVELOPMENT AUTHORITY RECOMMENDING TO THE CARSON CITY BOARD OF SUPERVISORS AN AMENDMENT TO THE REDEVELOPMENT PLAN FOR PROJECT AREA NO. 2 BY ADDING UP TO 162 PARCELS OF REAL PROPERTY LOCATED IN SOUTH CARSON CITY TO THE EXISTING REDEVELOPMENT PLAN AREA AND CAUSING NO SUBSTANTIAL CHANGE TO THE COMMUNITY'S MASTER PLAN, PURSUANT TO NRS 279.608. Member Teixeira seconded the motion and suggested an amendment. Mr. McCarthy concurred with the amendment. Member Livermore amended his motion to change "adding up to 162 parcels" to be "approximately 162 parcels". Member Teixeira concurred with the amendment. The motion was voted and carried 3-0-0-2 with Members Staub and Aldean abstaining.

C. ACTION TO PAY THE ARCHITECTURAL FEES INCURRED BY FRED O. DOLVEN ARCHITECTURAL ASSOCIATES IN THE AMOUNT OF \$47,600 FOR THE REDESIGN OF THE FIRST PRESBYTERIAN CHURCH'S PROPOSED NEW CONSTRUCTION OF A SANCTUARY AND NARTHEX THAT WILL RESULT IN SAVING THE HISTORIC 1864 AND 1896 STRUCTURE (2-0057) - Economic/Redevelopment Manager Joe McCarthy indicated that the request is to reimburse the fees as the service is currently being provided. Reasons for his involvement with the Church were explained. Member Staub explained his belief that Redevelopment should authorize the service before authorizing the payment. This process should be followed even if it requires conducting a special meeting to approve the service/contract. He also indicated his belief that the Authority should endorse the effort to save the structure. Chairperson Williamson explained her involvement in the process and the Church Board's reluctance to agree to the program. She thanked Peter Wilday, Paul Ferrari, and Roger Heighton for their pro bono architectural/engineering work on the effort to save the historical Church which amounts to more than \$48,000. Member Staub expressed his appreciation of and thanked them for their services. He reiterated his belief that the Authority needed to establish a policy whereby the contract is approved prior to the request for payment or vice versa when an emergency arises. Chairperson Williamson expressed the hope that this type of request is not a common occurrence. She agreed that they should discuss the issue. Member Aldean pointed out that the Board's staff has a policy which allows it to incur obligations under \$25,000 without the Board's approval. A similar policy should be developed for Redevelopment's staff. Discussion then explained that John Griffin and Ernie Adler are working to establish an "LLC". Its concept is to provide a mechanism for rehabilitating the Church and for working with other Churches on the west side for historic preservation. He hoped that it will be a mechanism for working to preserve other west side historical structures which are not Churches. Member Teixeira supported creating a policy which will allow staff to have discretionary spending. He felt that since the obligation has been assumed it could be perceived as the "tip of the iceberg". The amount is significant. He also acknowledged and complimented Peter Wilday for his pro bono work that he had asked him to do. Mr. McCarthy explained that the funds are to pay for the redesign of the Church. The rehabilitation and stabilization are being designed by Mr. Wilday. Mr. Wilday is paying for the structural engineer's work for the rehabilitation. His work is a significant contribution for which they will need to establish an estimate of the total dollar amount. Mr. Dolven is also a fine architect. He had graciously and under difficult circumstances heard the presentation and observed Mr. Wilday's presentation on how the site could be designed. He felt that the Historic Resources Commission will have a better answer on it soon. Mr. Dolven had, to his understanding, done what he could to incorporate the best elements of Mr. Wilday's design into his design. Mr. Wilday is purportedly comfortable with the design concept prepared by Mr. Dolven. Everyone is "working on the same page of music" at this time. Member Teixeira complimented Chairperson

CARSON CITY REDEVELOPMENT AUTHORITY
Minutes of the April 6, 2006, Meeting
Page 6

Williamson and Mr. McCarthy on their efforts. The Church is a sensitive issue in the community. He explained City Manager Ritter's efforts to sensitize the Washington, D.C., representatives about this sensitive issue. Ms. Ritter indicated that she had not heard anything from them recently. She expects to discuss the matter further with Senator Reid and his staff next week. Member Teixeira felt that the community and other individuals from outside the community may be interested in assisting in the endeavor to save the structure. Mr. McCarthy complimented the Church's Building Committee and its important Church members on their willingness to work with him. They are also passionate about the Church. Everyone is working to find a compromise acceptable to both sides. Additional comments were solicited but none were given. Member Teixeira moved to pay the architectural fees incurred by Fred O. Dolven Architectural Associates in the amount of \$47,600 for the redesign of the First Presbyterian Church's proposed new construction of a sanctuary and narthex that will result in saving the historic 1864 and 1896 structure. Member Livermore seconded the motion. Motion carried 5-0.

There being no other Redevelopment matters for consideration, Chairperson Williamson adjourned the Authority.

The Minutes of the April 6, 2006, Carson City Redevelopment Authority meeting

ARE SO APPROVED ON May 18, 2006.

/s/

Robin Williamson, Chairperson

ATTEST:

/s/

Alan Glover, Clerk-Recorder