

CARSON CITY REDEVELOPMENT AUTHORITY
Minutes of the May 16, 1996, Meeting
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A meeting of the Carson City Redevelopment Authority was held during the regularly scheduled meeting of the Carson City Board of Supervisors on Thursday, May 16, 1996, meeting at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, which began at 1 p.m.

PRESENT: Chairperson Tom Tatro and Members Marv Teixeira, Greg Smith,
Janice Ayres, and Kay Bennett

STAFF PRESENT: City Manager John Berkich, Clerk-Recorder Alan Glover,
Treasurer Al Kramer, Finance and Redevelopment Director Mary
Walker, Deputy District Attorney Paul Lipparelli, and
Recording Secretary Katherine McLaughlin (B.O.S. 5/16/96
Tape 1-0895.5)

Mayor Teixeira recessed the Board of Supervisors session and passed the gavel to Chairperson Tatro, who immediately convened the Redevelopment Authority. Chairperson Tatro indicated for the record that the entire Authority was present, constituting a quorum. (See Board of Supervisors Minutes of May 16, 1996, for discussion/action on the other Agenda items.)

APPROVAL OF MINUTES - None.

A. TREASURER - Al Kramer - ACTION ON A MOTION SELECTING AN UNDERWRITER TO NEGOTIATE THE PURCHASE OF THE REDEVELOPMENT AUTHORITY TAX ALLOCATION BONDS (1-0898.5) - Member Teixeira moved that the Redevelopment Authority approve the recommendation of Mr. Kramer, Scott Nash of Howarth and Associates, and Mrs. Walker for the selection of Hutchinson, Shockey, Erley and Company to be the underwriter to handle the bonds proposed to be sold. Member Ayres seconded the motion. Motion was voted and carried 5-0.

B. FINANCE AND REDEVELOPMENT DIRECTOR - Mary Walker

1. ACTION ON CARSON CITY REDEVELOPMENT AUTHORITY RESOLUTION DECLARING THE PUBLIC PURPOSE TO REDEVELOP PROPERTY AT 302 NORTH CARSON STREET, COMMONLY KNOWN AS THE LUCKY SPUR, AND AUTHORIZING REDEVELOPMENT STAFF TO SOLICIT PROPOSALS FOR THE REDEVELOPMENT OF THE PROPERTY; AND, 2. ACTION ON CARSON CITY REDEVELOPMENT AUTHORITY RESOLUTION DECLARING THE PUBLIC PURPOSE TO REDEVELOP PROPERTY AT 716 NORTH CARSON STREET, COMMONLY KNOWN AS THE GOLDEN SPIKE, AND AUTHORIZING REDEVELOPMENT STAFF TO SOLICIT PROPOSALS FOR THE REDEVELOPMENT OF THE PROPERTY (1-0929.5) - Ms. Walker's introduction which included the history of these proposals, the procedure for development of the property under Redevelopment, and the recommendation for staff to delay putting out the RFP's until July 1st. Comments were solicited.

(1-1034.5) George Halyak expressed his feeling that as the owner of the property he should not be forced to discuss the property, his personal business, and the property's development in public. He felt that the building had been unfairly and incorrectly labeled an "eyesore" by a news article and 15 people who had responded to a survey. Neither were public mandates. The building has not substantially deteriorated. Improvements he had made to the building were noted. Difficulties encountered when attempting to sell the building were felt to be the direct result of adverse publicity and Redevelopment involvement. He explained an October 1995 District Court Judge ruling dismissing a Las Vegas condemnation as the taking was not for a public use and as it was from one private individual to another private individual. The City's legal council from Sacramento had been involved with this case. He felt that the notion that the process would help the downtown area had not addressed all of the properties in the area as illustrated by another empty casino, which he described. A photograph of this building was given to the Board. (These photos were given to the Clerk for the record after the meeting.) He was curious about the reasons staff was not going after this building also. He then questioned staff's professional conduct which was constantly being violated according to examples he cited. He questioned whether the Authority would sell the

property without an appraisal and indicated one would cost the City \$15,000. Also, casino appraisers are "months behind right now". The Lucky Spur has not just been setting there. He had been making ongoing improvements to the building during his ownership. He had attempted to negotiate for the property next door, however, to no avail. His building is being listed and marketed as a casino, which is its highest and best use. He had been willing to spend time with unqualified prospects. He has several qualified prospects at this time who are interested in participating in its development and are comfortable with its value. He felt that he had made improvements to the building and that staff was well aware of these improvements and circumstances. He questioned whether he could continue to afford the "help" being provided by the City. Legal counsel had indicated that redevelopment takes years, however, someone is in a "great big hurry here". He had always welcomed any qualified assistance when discussed with him personally. He indicated that he would "continue to mind his own business".

Member Teixeira explained his contact with Mr. Halyak and a potential buyer. The buyer had indicated that if the Authority does not take action until July 1st, it would not create a "discomfort" for him. Mr. Halyak indicated that he had acquired the property in July 1990.

Ms. Walker explained her contact with Gene Chaney, the property owner of the building Mr. Halyak had referenced. She indicated the building is part of the Lucky Spur. Mr. Chaney had had plans to cleanup the building, however, he cannot do it due to the access problems. He is willing to go through this process. She felt that the matter would be agendized for consideration in two weeks.

(1-1235.5) Mr. Halyak indicated that Mr. Chaney's property is separately deed and will be declared a fire, safety, and health hazard in a few weeks. It is not part of the Lucky Spur although it appears to be. He also indicated that the Fire Department would only allow Mr. Chaney into the building 15 feet even though it is 15 feet wide by 80 feet deep. He had attempted to cut a deal with Mr. Chaney for four years.

Member Teixeira moved that the Redevelopment Authority move to approve Resolution No. 1996-RAR-2, the Carson City Redevelopment Authority RESOLUTION ESTABLISHING PUBLIC PURPOSE TO REDEVELOP AND REHABILITATE PROPERTY AT 302 NORTH CARSON STREET, COMMONLY KNOWN AS THE LUCKY SPUR, and that all action on this property be deferred until July 1, 1996. Member Ayres seconded the motion. Motion was voted by roll call with the following results: Bennett - Yes; Teixeira - Yes; Ayres - Yes; Smith - No; and Chairperson Tatro - Yes. Motion carried 4-1.

(1-1266.5) Ms. Walker indicated that she had discussed the proposal with the Golden Spur property owners and they were aware of the recommended action. Comments were then solicited but none were given. Member Teixeira moved that the Redevelopment Authority approve Resolution No. 1996-RAR-3, the Carson City Redevelopment Authority RESOLUTION ESTABLISHING PUBLIC PURPOSE TO REDEVELOP AND REHABILITATE PROPERTY AT 716 NORTH CARSON STREET, COMMONLY KNOWN AS THE GOLDEN SPIKE, and that all action on this property be deferred until July 1, 1996. Member Bennett seconded the motion. Motion was voted by roll call with the following result: Bennett - Yes; Teixeira - Yes; Ayres - Yes; Smith - No; and Chairperson Tatro - Yes. Motion carried 4-1.

3. ACTION ON APPROVAL OF RESOLUTION TO AUGMENT AND AMEND CARSON CITY REDEVELOPMENT AUTHORITY FISCAL YEAR 1995-96 BUDGET (1-1294.5) - Ms. Walker explained the augmentation request. Public comments were solicited but none given. Member Bennett moved that the Redevelopment Authority approve Resolution No. 1996-RAR-4, A RESOLUTION TO AUGMENT AND AMEND THE CARSON CITY REDEVELOPMENT AUTHORITY FISCAL YEAR 95-96 BUDGET IN THE AMOUNT OF \$516,240. Member Teixeira seconded the motion. Motion carried 5-0.

There being no other matters for consideration, Member Teixeira moved to adjourn. Chairperson Tatro seconded the motion. Motion carried unanimously and Chairperson Tatro adjourned the meeting.

A tape recording of these proceedings is on file in the Clerk-Recorder's office. This tape is available for review and inspection during normal business hours.

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1996.

ARE SO APPROVED ON ____ July 18 ____,

_____/s/_____

Tom Tatro, Chairperson

ATTEST:

_____/s/_____
Alan Glover, Clerk-Recorder