

CARSON CITY REDEVELOPMENT AUTHORITY CITIZENS COMMITTEE

Minutes of the January 7, 2009 Meeting

Page 1

A meeting of the Carson City Redevelopment Authority Citizens Committee was scheduled for 5:30 p.m. on Wednesday, January 7, 2009 in the Carson City Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Chairperson Robin Williamson

Jed Block

Gary Cain

Mike Cowan

Stan Jones

Dan Neverett

Gigi Valenti

STAFF:

Joe McCarthy, Business Development Manager

Tammy Westergard, Deputy Business Development Manager

Joel Benton, Senior Deputy District Attorney

Kathleen King, Recording Secretary

Jano Barnhurst, Recording Secretary

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

A. CALL TO ORDER AND DETERMINATION OF QUORUM (5:31:10) - Chairperson Williamson called the meeting to order at 5:31 p.m. Roll was called; a quorum was present. Member Block arrived at 5:33 p.m. Member Valenti arrived at 5:36 p.m.

B. ACTION ON APPROVAL OF MINUTES - May 20, 2008 (5:31:45) - Member Cowan moved to approve the minutes. Member Cain seconded the motion. Motion carried 5-0.

C. MODIFICATION OF THE AGENDA (5:32:40) - Chairperson Williamson stated that Item J will be heard after Items F and G.

D. PUBLIC COMMENTS ON NON-AGENDIZED ITEMS (5:32:55) - None.

E. DISCLOSURES (5:33:10) - There were no disclosures. Chairperson Williamson advised that Supervisor Aldean was recommended to be appointed as the vice chair of the Redevelopment Authority at the January 5, 2009 meeting of the Carson City Board of Supervisors.

F. DISCUSSION AND POSSIBLE ACTION REGARDING AN INCENTIVE APPLICATION FROM THE FIRST PRESBYTERIAN CHURCH FOR REIMBURSEMENT OF SPECIFIC SITE IMPROVEMENT COSTS AND ADDED EXPENSES ASSOCIATED WITH THE CONSTRUCTION OF THE NEW SANCTUARY AND PRESERVATION OF THE OLD SANCTUARY (5:34:00) - Chairperson Williamson introduced this item, and Mr. McCarthy reviewed the staff report.

CARSON CITY REDEVELOPMENT AUTHORITY CITIZENS COMMITTEE

Minutes of the January 7, 2009 Meeting

Page 2

In response to a question, Mr. McCarthy advised of having worked with the First Presbyterian Church on costs associated with architectural redesign of the new sanctuary. The Board of Supervisors approved a reimbursement to the First Presbyterian Church for those costs incurred by Architect Fred Dolven for approximately \$40,000. There were other incidental costs in the amount of approximately \$9,000 which were paid out of Mr. McCarthy's budget. He indicated that reimbursement costs are already close to \$60,000 relative to efforts to preserve the old sanctuary. Mr. McCarthy invited First Presbyterian Church Pastor Bruce Kochsmeier and Building Committee Chairman Ken Pearson to approach. In response to a further question, Mr. McCarthy advised that \$100,000 is the cap for incentives on a particular project. He explained that "this was not just one project." He also indicated that the Church was reimbursed for design costs and the Commission is looking at remaining costs which are much more in tune with the \$100,000 requirement. Member Jones requested to defer action on this item and modify the agenda to first review policies and procedures. He expressed discomfort with voting on this item at this meeting. He expressed a preference to first receive public input. Mr. McCarthy advised of having been directed by the Redevelopment Authority for consideration by this committee over the final reimbursement.

(5:40:50) In response to a question, Chairperson Williamson provided background information on the Historic Resources Commission's denial of the original demolition application, and the direction to relocate the sanctuary at King and Nevada Streets. She explained the additional design costs associated with relocation of the sanctuary, and the ultimate preservation of the historic sanctuary structure. Mr. McCarthy provided additional information regarding negotiations with the First Presbyterian Church Building Committee. In response to a question, he advised that the incentive funding request is \$78,841.88. The total cost of the project was over \$2 million.

(5:43:58) Member Block provided background information on the formation of the historic district in 1982. He advised that since that time it has been extremely difficult to demolish a building and the First Presbyterian Church has a historical marker giving them significant historical value to the property. In response to a question, Mr. McCarthy indicated that \$67,780.36 was a representative figure spent on the project. Member Block expressed his agreement with Member Jones that it's been up to 20 percent or \$100,000 reimbursement on a new project. He stated that over the last several years, not many projects received that much of a reimbursement. Chairperson Williamson advised that incentive projects have been previously done in phases. This group has given over \$100,000 to different projects as phases which was the approach that was taken that phase 1 was the pre-developments costs, architectural costs; and this is phase 2 with sidewalk improvements and landscaping. Also the re-roofing of the historic structure which was necessitated by the new structure and drainage and if the re-roofing hadn't been completed, there would have been further decline in the original historic structure.

(5:47:02) Supervisor Aldean explained the Board of Supervisors' decision to create a vice chairmanship for Redevelopment. She indicated that most of the boards and commissions have chairs and vice chairs and the City is trying to create succession plans. She indicated that Chairperson Williamson's term will expire in two years and that the Board thought it important and prudent to begin the preparation of having someone with technical and managerial skills succeed Chairperson Williamson.

(5:47:52) In response to a question, Mr. McCarthy advised of having customized the incentive application form in cooperation with First Presbyterian Church representatives. Supervisor Aldean expressed concern over deviating from standard procedure. Member Jones acknowledged this also was his concern, together with "coming in after the fact", and exceeding the \$100,000 cap.

CARSON CITY REDEVELOPMENT AUTHORITY CITIZENS COMMITTEE

Minutes of the January 7, 2009 Meeting

Page 3

Member Valenti expressed the understanding that the additional costs were incurred due to the Historic Resources Commission's denial of the original demolition application. In response to a question, Mr. McCarthy advised that Planning and Building Division staff worked together with First Presbyterian Church Building Committee representatives to ensure the project met all requirements of the building code and the Carson City Municipal Code. Member Valenti expressed a reluctance to allocate taxpayer funding to subsidize additional costs.

In response to a question, Chairperson Williamson advised of no intent to return to the Redevelopment Authority Citizens Committee (RACC) for additional funding in the future but the intent has always been to form a non-profit for fund raising. She discussed a lease arrangement with the historic structure so that it could be used by the public as a historic resource on the west side.

(5:52:29) Member Neverett inquired as to the insurance liability premium for 2009. Chairperson Williamson indicated that it would be up to negotiations with the First Presbyterian Church, the non-profit and the access and rehab agreement. Member Cowan expressed the understanding that the bulk of the funding is for new sidewalks and landscaping, and that future projects and funding are going to come from other resources. Pastor Kochsmeier acknowledged that the requested reimbursement will complete the project as understood by the First Presbyterian Church. He stated that they complied with the request to retain the old building by accepting the alternative plan with the understanding that mitigating costs would be covered by Redevelopment.

In response to a question, Chairperson Williamson acknowledged that the non-profit organization has been created, but fund raising efforts have not yet commenced. Member Block expressed reluctance to vote on the issue until he has more information on what precedent has been set so he can present it to the Chamber board. He advised that the First Presbyterian Church has had an issue with the structure since the early 1960s but it hasn't become an issue until the last 5-10 years when their Family Life Center was built.

Chairperson Williamson called for additional committee member questions or comments and, when none were forthcoming, opened this item to the applicants.

(5:55:49) First Presbyterian Church Building Committee Chairman Ken Pearson provided background information on the sanctuary relocation and restoration project. He discussed concessions made in relocating the sanctuary, including the loss of landscaping, parking and access from the front lawn. Several concessions were made in moving the sanctuary from where it was planned to where it is now. He advised of correspondence back and forth advising of the concessions and requesting help from the City. The City worked with them in moving the property line and lot line abandonment and paid for redesign fees. Other miscellaneous items were to in-fill an arch opening and reinforce the west wall of the old sanctuary with the east wall of the new sanctuary and re-roofing one quarter of the church. He advised of the understanding that the City would reimburse the First Presbyterian Church for having made those concessions.

(5:59:42) In response to a comment, Pastor Kochsmeier disagreed that his congregation is mostly going to benefit from the sidewalks and landscaping. He advised that these were a result of having to make concessions. He said they had to build a pull-in off Division Street which was very expensive and a lot of landscaping wouldn't have had to be done if they kept with the original plan. He said the formula for the landscaping was "extremely excessive" and not part of the building. "The City will benefit from this."

CARSON CITY REDEVELOPMENT AUTHORITY CITIZENS COMMITTEE

Minutes of the January 7, 2009 Meeting

Page 4

People walking the Blue Line Tour will appreciate it but the Church will not directly benefit from it. The sidewalk replaced along King Street is not used by the congregation - it's the Blue Line. They would never have had to build the sidewalk on Division Street because it's the parking lot. The landscaping is mostly on King Street which is not used by the congregation. These are all things that make the Blue Line far more attractive and accessible but not things the Church will benefit from. The re-roofing would not have had to be done if the building had been demolished. Member Cain expressed the belief that the City shouldn't pay for everything. Using his project as an example, he indicated that he re-landscaped the City property next to his for \$1,500. It makes the City look nice but he didn't get any reimbursement. He expressed no problem with 20 percent of the requested reimbursement and possibly the entire cost of the re-roofing and liability. He expressed concern over not having sufficient information with which to make a decision.

(6:02:21) Chairperson Williamson advised that City Manager Larry Werner had acknowledged costs which would not have been incurred without having been required to relocate the sanctuary. Pastor Kochsmeier indicated that they don't have the project they set out to have. They had to incur costs that don't benefit them. He said they built sidewalks around Division and King Streets but the City decided it needed flood abatement sidewalks so they tore out the sidewalks that the Church had paid for. The abatement wall is now on City property and the Church can't put signage there. He acknowledged they have some major costs, but concessions and incursions upon their space diminish their ability to make themselves known.

Member Neverett inquired as to another source of funding that would be appropriate to use other than redevelopment funding. In response to a comment, Pastor Kochsmeier advised of written statements made regarding the original agreement. The Church would not have its primary project and it would not allow them to do what was needed but if they did it a certain way then they were assured they would be compensated. It was never discussed whether the funds would come from redevelopment or another source, they were just assured throughout the project that they would receive it and respectfully requested that they be paid. Chairperson Williamson indicated that if this committee determines that they don't want to use redevelopment funds to cover these costs, there may be an alternative source. Member Neverett suggested committing up to \$100,000 which has been the traditional cap and encourage the City to identify another funding source for the balance.

Chairperson Williamson reviewed various options for action by the committee. Member Block advised of the Chamber of Commerce's recommendation to approve the \$100,000 cap and perhaps start a grassroots fund raising program.

(6:08:33) In response to a comment, Chairperson Williamson acknowledged that the First Presbyterian Church has a recourse to approach the Redevelopment Authority. She advised that the committee's action would be forwarded to the Redevelopment Authority as a recommendation. **Member Cain moved to compensate the First Presbyterian Church up to the Redevelopment Authority Citizens Committee (RACC) cap of \$100,000, with the hope that additional funding could be identified. Member Valenti seconded the motion,** and requested Member Cain modify his motion with direction that the Redevelopment Authority consider additional funding sources to make up the difference of the requested reimbursement. **Member Cain so modified his motion.** Member Neverett clarified that the \$100,000 is less what has already been paid to the First Presbyterian Church for other costs so the committee is not authorizing \$100,000.

CARSON CITY REDEVELOPMENT AUTHORITY CITIZENS COMMITTEE

Minutes of the January 7, 2009 Meeting

Page 5

Pastor Kochsmeier expressed appreciation for the spirit of the motion, but declared it unfair. He reiterated that the Redevelopment Authority had approached the First Presbyterian Church and requested them to do the project in a certain way. "Those costs paid already are not our hard costs. Those are costs that should have been accepted as part of the negotiation that came from Redevelopment in asking us to build in an alternative fashion as I believe this application makes so clear. This is not fair." Mr. McCarthy concurred with Pastor Kochsmeier, and advised that the previously paid costs were part of the agreement with the First Presbyterian Church and were part of the Board of Supervisors' accommodation that they would pay for the costs incurred for revising the plans in order to save the Church. The subject application is separate and for hard costs associated with the impact of having to make those changes.

Mr. McCarthy acknowledged that the Board of Supervisors formally approved this in a meeting and that it never came to the RACC, but went directly to the Redevelopment Authority. Member Cowan expressed sympathy with Pastor Kochsmeier's position, and suggested that there are people who have the authority to make those decisions outside of the RACC's standard operating procedures. Member Cain acknowledged that the decision of the Redevelopment Authority in its February 7th meeting could be to pay the remainder of the requested reimbursement. Pastor Kochsmeier expressed his understanding that at the February 7th meeting, the First Presbyterian Church could expect to be paid in full regardless of whether the funds come from Redevelopment.

Member Valenti explained the purview of the RACC is to provide recommendations to the Redevelopment Authority and that they could decide that the additional funding source from the City may come from Redevelopment, or it may not. It should be emphasized that the First Presbyterian Church was directed to make changes over and above what normally would have been done and those costs were incurred by the City and burdened the First Presbyterian Church with excess costs. The RACC is directed by procedures and some are uncomfortable with extending beyond those procedures. The RACC is giving the First Presbyterian Church the maximum that they have given to anyone and feel comfortable doing so. The RACC is being as fair as possible right now. In response to a question, Member Cain acknowledged that the motion is to compensate the First Presbyterian Church up to the \$100,000 cap and advise the Redevelopment Authority to consider additional funding sources. Pastor Kochsmeier wanted confirmation that they would be paid in full. Member Cain reiterated that the RACC can only spend up to \$100,000 and that they would emphasize that the First Presbyterian Church be fully recompensed for the amount they have spent because the City compelled them to do so and agreed to pay for it. Pastor Kochsmeier again wanted confirmation that on February 7th, there would be an agreement that the First Presbyterian Church would be recompensed for the full amount. Member Valenti pointed out that "it would have been nice for the Redevelopment Authority Citizens Committee to have been involved" in the negotiations with the First Presbyterian Church.

(6:18:20) Mr. McCarthy clarified these were very delicate negotiations in which staff tried to intercede in a positive way and went from being bunkered to trying to work out the right arrangement which is possibly the reason why this wasn't brought into a public forum because they were working in a very confidential way. Additionally, there was no representation that the costs would be reimbursed but that every effort would be made to do so. Member Jones stated that was the difference; they said they would make the effort but didn't say they would reimburse them. Pastor Kochsmeier expressed the understanding that they were led to believe they would be reimbursed.

CARSON CITY REDEVELOPMENT AUTHORITY CITIZENS COMMITTEE

Minutes of the January 7, 2009 Meeting

Page 6

Supervisor Aldean inquired as to whether it was the intention of the First Presbyterian Church to continue to allow interest to accrue on the unpaid balance. Pastor Kochsmeier advised that the First Presbyterian Church is paying debt service. Supervisor Aldean indicated that the action being taken by this committee is based on \$400 and given current interest rates, it should not be substantially more and hopes that the First Presbyterian Church would not adjust that figure between now and February 7th. Pastor Kochsmeier pointed out that they would be whole if compensated at this level. Supervisor Aldean then questioned Pastor Kochsmeier if he would be willing to go on the record at that time to say that that would be full satisfaction and he would not be coming back with supplemental invoices. Pastor Kochsmeier stated that the matter had been thoroughly researched and there are no additional costs.

Chairperson Williamson reviewed the current motion **to recommend that the First Presbyterian Church be compensated up to \$100,000 including previous payments and recommend to the Redevelopment Authority that funds be found to fully compensate them for their claims.** She called for a vote on the pending motion. **Motion carried 6-1.**

G. DISCUSSION AND POSSIBLE ACTION TO ADDRESS THE ENVIRONMENTAL CLEANUP OF THE PROPERTY AT 217 SOUTH CURRY STREET, FORMERLY HOUSED MERCURY CLEANERS (6:22:24) - Chairperson Williamson introduced this item, and Mr. McCarthy reviewed the staff report.

(6:23:28) Attorney Wayne Chimarusti, representing Mercury Cleaners, Inc., described the location of the subject property and provided background information on the requirement to clean up the property. He stated that the corporation does not have the resources to do the clean up. Because contaminated soil is under concrete, it is unclear what is happening. Sample testing has shown that some of the soils are contaminated and the contamination has reached the water table. The \$51,000 cost estimate is to take out the concrete floor and excavate the most contaminated soils. He discussed attempts to identify funding sources to cover the cost estimate. The owner of the property is not eligible for any funding under the Brownsfield funding sources as, in order to qualify for them, you cannot be the owner of the property at the time of contamination. Another source of funds is EMAR which the State manages. There has been a proposal to the State to use those funds for the clean up wherein they would be reimbursed over time. If those funds are used, then the State mandates that it be repaid. They are in negotiations for reimbursement of the funds that are used. They are considering it, but are reluctant to do it and there has been no response as to whether they are willing to go forward. Mr. Chimarusti has also contacted a number of banks for loans, which are not possible. He also contacted the Veterans Administration as the two brothers who ran the corporation were in the military in WWII, but the VA was unwilling to help as they are both deceased. He also contacted business authorities at UNR who declined assistance. The family consists of a 79 year old widow and two daughters but none have the financial resources to fund the clean up. He explained that the estimate is for time and materials, but actual costs cannot be known until the concrete is removed. One problem is that the equipment which can be moved into the building can only excavate to 7 or 8 feet of the required 12 to 15 feet. Mr. Chimarusti advised that no determination has been made as to what will be required for phase 2 of the project.

(6:29:42) Mr. McCarthy advised of having discussed the project with Nevada Department of Environmental Protection (NDEP) representatives. The City may have a role in the project. Mr. Chimarusti advised that his clients have listed the property for sale. He responded to questions regarding ownership of the parcel. In response to a question, Mr. Chimarusti indicated that he was uncertain when

CARSON CITY REDEVELOPMENT AUTHORITY CITIZENS COMMITTEE

Minutes of the January 7, 2009 Meeting

Page 7

the contamination occurred although the last tenant had a couple of episodes where the NDEP found he had a couple of spills. At one point, underground tanks stored solvents. Maps indicated that under the Curry Street sidewalk were three tanks consisting of a fuel tank, clean solvent tank, and waste solvent which were sealed in the early 1990s. A report done at the time came back clean. The use of solvents evolved over time. At one point, they were stored under ground, then stored above ground, then in a self contained unit, then eliminated entirely. In response to a question, Mr. Chimarusti indicated it was his understanding that the excavation equipment would not be able to go down farther than 7-8 feet. The concrete would be taken out along with whatever contaminated soils could be excavated without causing the building to collapse. He also discussed a vapor extraction system, which involves another process. In response to another question, Mr. Chimarusti indicated that the NDEP has already granted one extension. He's made a second request for an extension to March to which they have yet to respond. A NDEP administrator verbally indicated that they could have until the end of January to get feedback from the Redevelopment Authority Citizens Committee as to whether the City was able and willing to participate and determine whether the EMAR proposal was something they could consider. Mr. Chimarusti also indicated that if they find a buyer for the property, then perhaps they could qualify for the Brownsfield monies and the clean up can go forward. If the City buys the property, then the City can qualify for the Brownsfield monies and do the clean up. If the State can use the EMAR, then his clients would retain ownership, do the clean up, and dedicate all of the net income generated from the premises to reimburse them for as long as it takes. He said if that doesn't happen, the State may come in at their discretion, force the clean up, sue, and the corporation would simply file bankruptcy.

(6:37:05) Supervisor Aldean noted that cleaning up the property would add value to the property, and inquired as to whether the property owners would be willing to reimburse the Redevelopment Authority for monies expended. Mr. Chimarusti offered to consider the possibility, but discussed difficulties associated with not being able to determine whether funding would be available to reimburse the Redevelopment Authority. Mr. Chimarusti acknowledged that since the costs are not known, the clean up project could actually exceed the cost of the property. He described the properties of the chemical as very slow moving and dense, but acknowledged that the magnitude of the problem is unknown. In response to a question, Mr. Chimarusti indicated that it could have extended under other properties in that block. Engineers estimate that it's moving in an easterly direction. In response to another question, Mr. Chimarusti indicated that the owners did not have insurance to cover the clean up.

In response to a question, Mr. Chimarusti inquired as to whether the Redevelopment Authority can help and to what extent. In response to a comment, Mr. McCarthy advised that redevelopment agencies throughout the state are becoming involved in purchasing contaminated properties. Once the municipality owns it, Brownsfield funding can be acquired to re-mediate the property and the property can be resold at market value. Member Cowan acknowledged the value of putting the parcel back in service by committing public funds but expressed reluctance to commit funds to a project with no guaranteed payback and not knowing where it stops. Mr. McCarthy advised that the property being listed for sale is good news with the potential of a buyer applying for Brownsfield funding. Mr. Chimarusti advised that his clients were considering methods by which to responsibly clean up the problem. He expressed concern that the contamination is spreading. The assumption is that the most contaminated soil is directly beneath the concrete.

(6:43:55) Member Block commented as to the possibility that this could be considered part of the infrastructure as there have been a number of operators at Mercury Cleaners, and the probability is that it

CARSON CITY REDEVELOPMENT AUTHORITY CITIZENS COMMITTEE

Minutes of the January 7, 2009 Meeting

Page 8

is not the fault of the property owners for whatever the operators did. The whole block, with the exception of Mercury Cleaners, has received redevelopment incentives. He opined that this should qualify for infrastructure if the tanks were under the sidewalk, tested for leakage and slurried. He expressed the belief that there should be some way the committee could be able to help. In response to a question, Mr. Chimarusti replied that the asking price of the property is \$237,000. Extensive discussion ensued regarding the possibility that the clean up could exceed the value of the parcel. In response to a question, Mr. McCarthy advised that the City would qualify for applying for Brownsfield funding and that the City would be protected under a liability cap. Member Neverett advised of his involvement with a similar situation involving hazardous materials which went on for a number of years and caused health issues. He stated that he could not, in good conscience, vote for the City becoming involved and urged the State take the lead.

In response to a question, Member Cain expressed a preference for additional information to be provided to the committee at the next meeting. Mr. McCarthy requested the involvement of Member Block in a work group to conduct research. Chairperson Williamson directed staff to work with Member Block to conduct research.

Mr. Chimarusti expressed the understanding that the federal government will fund the Brownsfield program with liability protections. In response to a question, he advised that the engineer advised the best way to clean up would be to level the building and dig the hole. The intent was to preserve the building. NDEP representatives think that because of the chemical, you take out the big chunk of dirt, put in the evaporation system, and then let the system work. They're not considering tearing things up. NDEP wants to keep this matter moving along and be in touch by the end of January as to whether the City wants to go forward. In response to a question, Mr. Chimarusti advised that if the City does not go forward with the project then it's out of the mix and the State will either accept or reject his proposal. If it's rejected, they will do whatever they want on their timetable.

H. DISCUSSION AND POSSIBLE ACTION REGARDING THE FUNDING OF CAPITAL IMPROVEMENT PROJECTS WITHIN DOWNTOWN CARSON CITY (6:54:38) - Chairperson Williamson introduced this item, and Mr. McCarthy reviewed the staff report. At his request, Chairperson Williamson discussed the summer activities of the Downtown Consortium Beautification Committee, and reviewed the recommendations of Karen Abowd, its chair. Her recommendations are to expand the number and quality of flower baskets in the downtown area. She's been looking for sites for street lamps to increase along Carson Street. The idea came about in order to get feedback from RACC as to whether or not to go forward. Mr. McCarthy noted the committee's action at the May 20, 2008 meeting to allocate up to \$300,000 to downtown beautification. He suggested considering infrastructure projects to recommend to the Redevelopment Authority.

Member Jones advised that part of the beautification committee recommendation was additional trash containers on Curry and Carson Streets, together with "a few benches." He advised that the Downtown Business Association had plans to request signage with the RACC logo. He expressed an interest in having signage be part of the capital improvements project.

Mr. McCarthy discussed the importance of branding consistency.

CARSON CITY REDEVELOPMENT AUTHORITY CITIZENS COMMITTEE

Minutes of the January 7, 2009 Meeting

Page 9

(7:00:05) Ms. Westergard expressed agreement with Member Jones' recollection regarding the branding conversation and all of the things that it implies not only in terms of consistent look and feel to collateral packages but the direction that they're headed including the concept of the tastes of the high sierras. Until then, there is a bridge with the banners that the committee approved last year. The intention is those are a beginning and over time will create a sense of coherency and certain excitement in downtown. She added that it's important to start with what we can do, do it well and stay the course to see how well it's serving us. Extending business hours to after hours and weekends, to ensure cleanliness, and making sure that everything is consistent is more important than trying to reinvent the look and feel of a logo.

(7:03:05) Member Block indicated that he and Member Jones have discussed coming up with a logo. They are also working with the Downtown Merchants Association to develop a mission statement and a few other things like extended store hours. He expressed the opinion that the most important thing is the wayfinding signage.

Mr. McCarthy acknowledged the need for a work group, and reiterated there is approximately \$300,000 in bond proceeds available to spend on infrastructure projects. Chairperson Williamson requested volunteers, and Members Cain, Cowan, and Jones volunteered. Mr. McCarthy requested the work group to consider interfacing with the Convention and Visitors Bureau all along the way. He expressed concern over surprises and emphasized that everyone's been working consistently well. Member Block discussed the Chamber of Commerce's emphasis on "curb appeal," and requested that something be done with the infrastructure on Fourth Street as it's the gateway to the legislative building and the first thing legislators see when they come to town. Mr. McCarthy advised that Fourth Street has been on the Regional Transportation Commission's capital improvements projects list.

I. DISCUSSION REGARDING STAFF RESPONSE TO THE INTERNAL AUDIT OF THE OFFICE OF BUSINESS DEVELOPMENT (7:07:28) - Chairperson Williamson introduced this item, and provided background information regarding the same. She reiterated previous comments that the draft audit document was a "flawed document based on a false premise and resulted in a faulty conclusion. Data was manipulated to support that false premise and even the Redevelopment Authority and the Board of Supervisors did not accept the recommendations of the audit."

Mr. McCarthy referred to his written statement, copies of which had been provided to the committee members and staff. He expressed the opinion that the discussion at the December 18th Redevelopment Authority meeting was productive and that everyone came away feeling there was a lot to celebrate, accomplished a lot of work, and a lot of good things for Carson City. He said that 2009 is a good year to develop more informed policies, procedures, programs and internal business practices that were recommended in the audit and all have been approved in concept. He advised that the revised policies and procedures will be presented to the Board of Supervisors/Redevelopment Authority at their February 5th meeting. His department had significant fiscal concerns in the community. Carson City lost a lot of retail dollars in a very short period of time. He expressed the opinion that they did everything within the letter of their responsibilities and will create an audit trail so transparent that the public can understand that all public dollars are being spent on behalf of the citizens of Carson City.

Member Block advised of having attended the December 18th meeting, and expressed support for implementing redevelopment authority policies and procedures. He commended Mr. McCarthy on his presentation at the December 18th meeting.

CARSON CITY REDEVELOPMENT AUTHORITY CITIZENS COMMITTEE

Minutes of the January 7, 2009 Meeting

Page 10

J. DISCUSSION AND POSSIBLE ACTION REGARDING THE DEVELOPMENT AND IMPLEMENTATION OF REDEVELOPMENT PROGRAMS, POLICIES, PROCEDURES AND INTERNAL BUSINESS PRACTICES (7:11:54) - Chairperson Williamson introduced this item, and Mr. McCarthy provided an overview of policies and procedures which will be presented to the Board of Supervisors/Redevelopment Authority at their February 5th meeting. He discussed the need for application periods.

In response to a question, Mr. McCarthy advised that the policies, procedures, and internal business practices presented to the Redevelopment Authority had been approved in concept. Member Jones recommended taking more time to review committee items and items which will be presented to the Redevelopment Authority. He reviewed various recommendations for consideration, including the incentive package and opined that all requests should be considered before the project starts, not at the conclusion. He is concerned with competing with private enterprise and believes that every opportunity should be used to avoid it and that it should be policy. Communications need to be improved which is the responsibility of all agencies. He would like time at the February 5th meeting to discuss the Redevelopment Authority's views as to what they would like money to be spent on. This is a new Board, a new year and this would be a good time to do it.

Chairperson Williamson suggested establishing membership terms. She advised that the entire process for developing policies and procedures has taken a lot longer than was originally anticipated. She acknowledged the need to do a better job and get things in order. In the meantime, things have been going good and there's been a lot of positive energy downtown. She expressed pride in being part of the good things that are happening downtown.

Consensus of the committee was to request to schedule a joint meeting with the Redevelopment Authority for Thursday, February 5th.

Member Block corrected Chairperson Williamson as to things haven't been good, they've been great in downtown Carson. He mentioned Steve Hartman's comment while speaking at the Board of Supervisors meeting regarding the original Redevelopment Authority was "make it fair for everyone." He questioned whether the RACC's focus is going to be on infrastructure, an incentive program or a combination of things. Member Jones commented that that is what he would like the Board of Supervisors to give direction on. Mr. McCarthy agreed with Member Jones that this is a new Board of Supervisors and a new Redevelopment Authority. The Board will look at finalizing the policies and procedures, and may direct RACC to focus on infrastructure and reduce the emphasis on public/private partnerships. The Redevelopment Authority's input is needed as to where they would like to spend their limited funds. Chairperson Williamson suggested including special events and activities for downtown as part of the funding project in addition to infrastructure and incentive programs.

K. DISCUSSION REGARDING THE RELATIONSHIP BETWEEN THE REDEVELOPMENT AUTHORITY CITIZENS COMMITTEE (RACC) AND THE DOWNTOWN CONSORTIUM (7:25:12) - Chairperson Williamson introduced this item, and Mr. McCarthy provided background information. Ms. Westergard advised that although the consortium wasn't empaneled by resolution, Downtown Answers is "the execution of Envision Carson City", the City's 2006 adopted master plan. This component is the delivery on that expectation of the community to prioritize downtown. Chairperson Williamson offered to prepare the recommendations of each of the seven downtown work groups. Ms.

CARSON CITY REDEVELOPMENT AUTHORITY CITIZENS COMMITTEE

Minutes of the January 7, 2009 Meeting

Page 11

Westergard commented that RACC needs to look at how they can work together and support the Downtown Business Association as they go forward. She encouraged the committee members to visit www.downtownanswers.com to review the archives of the Carson City Downtown Consortium. In their best effort to communicate with the community much of it will be done online and modeled after the downtown answers and consortium interface and is the only practical way to meet the needs and expectations.

L. PRESENTATION BY JOE MCCARTHY REGARDING THE PROPOSED “COMMUNITY GREENHOUSE” PROJECT (7:37:42) - Chairperson Williamson introduced this item, and Mr. McCarthy provided background information on the subject project in conjunction with the staff report. The project is being led by Linda Deacy and Karen Abowd. An advisory committee has been formed to advise Ms. Abowd on things from fund raising to construction. She’s working with BAWN and a number of other entities in town.

M. PRESENTATION BY TAMMY WESTERGARD ON ON-GOING DEVELOPMENT AND COORDINATION OF DOWNTOWN EVENTS (7:30:24) - Chairperson Williamson introduced this item and Ms. Westergard updated the committee. Last May, a vigorous street life campaign began which included the expansion of elevation of Fridays at Third concerts. The elevated experience drew in a different crowd and created a different atmosphere which was well timed with the opening of Firkin and Fox and the rebirth of Third Street. There also was the Farmers Market, family pop up park, gardening tutorials, and park and pedal. The Curry Street Promenade concluded on October 4th and the Arlington Square Ice Rink opened on December 4th. To date, there have been more than 150,000 visitors to downtown in this ten month window. Sales taxes have raised steadily in that area since May with the exception of September. Ms. Westergard expressed her belief that this affirms that efforts are working to increase foot traffic in downtown businesses. The ice rink has been successful to this point. While some downtown businesses are taking advantage of the collateral package and cheapskate coupons, it is disappointing that more of them aren’t taking advantage of opportunities to drawn in more customers. She expressed hope that in time, there will be more unification in what those opportunities are, less haggling over minutia, and greater results. Raising sales tax revenues in the current economy is a huge indicator of success. Chairperson Williamson commented that it was heartwarming to see all the middle schoolers, teenagers, families, and underground skaters twirling and showing their skills at the ice skating rink. Ms. Westergard thanked the Carson City Nugget for their unwavering financial support and hard work. She discussed new programs targeting a variety of groups, including Ice Disco on Friday nights; Twilight Tuesdays; County and Western on Sunday afternoons; Lovers Only in January/February; ice games for tots after school; and peewee hockey on Saturday mornings. She also thanked the Washoe County Parks and Recreation Department who have been a huge help.

N. UPDATE ON OTHER REDEVELOPMENT INITIATIVES (7:40:02) - Mr. McCarthy advised of the potential for an incentive application relative to the Carriage House directly west of the Brower/Bath Mansion. It has been sold and the owners are going to do a rehabilitation on that property and will be coming to the RACC for help. Mr. McCarthy did a walk through and it desperately needs help. “I can’t believe people were living in that piece of property.” The property is located on the corner of Nevada and Spear, and Casey Neilon and Associates are the new owners. Member Block advised that the building was built in 1915 and is the earliest apartment building in Carson. It will be returned to the original siding and open the four front porches. Preliminary approval has already been given from the Historic Resources Commission. The building will be used as an accounting office.

CARSON CITY REDEVELOPMENT AUTHORITY CITIZENS COMMITTEE

Minutes of the January 7, 2009 Meeting

Page 12

O. ADJOURNMENT (7:42:04) - Member Neverett moved to adjourn the meeting at 7:42 p.m. Member Valenti seconded the motion. Motion carried 7-0.

The Minutes of the January 7, 2009 Carson City Redevelopment Authority Citizens Committee meeting are so approved this 6th day of April, 2009.

ROBIN L. WILLIAMSON, Chair