

CARSON NUGGET DEVELOPMENT ADVISORY COMMITTEE

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A regular meeting of the Carson Nugget Development Advisory Committee was scheduled for 6:30 p.m. on Monday, November 22, 2010 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Chairperson Scott Dockery
Vice Chairperson Rob Hooper
Member Shelly Aldean
Member Brad Bonkowski
Member Court Cardinal
Member Bruce Kittess
Member Carol Lange
Member Jim Lawrence
Member Marilyn Lewis
Member Phyllis Patton
Member Guy Rocha
Member Robin Williamson (via telephone conference call)

STAFF: Larry Werner, City Manager
Andrew Burnham, Public Works Department Director
Nick Providenti, Finance Department Director
Lee Plemel, Planning Division Director
Sara Jones, Library Director
Randal Munn, Chief Deputy District Attorney
Kathleen King, 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 part of the public record. These materials are available for review, in the Clerk's Office, during regular business hours.

1 - 2. CALL TO ORDER AND ROLL CALL (6:30:29) - Chairperson Dockery called the meeting to order at 6:30 p.m. Roll was called; a quorum was present. Members Chappell, Millard, and Stokes were absent.

3. ACTION ON APPROVAL OF MINUTES - September 27, 2010 (6:31:11) - Motion was made, seconded and carried unanimously to approve the minutes, as presented.

4. ADOPTION OF AGENDA (6:31:39) - Chairperson Dockery entertained modifications to the agenda and, when none were forthcoming, deemed it adopted.

5. PUBLIC COMMENTS AND DISCUSSION (6:32:41) - In response to a question, Mr. Werner explained the process relative to this item. Chairperson Dockery entertained public comment on non-agendized items.

(6:33:07) Dr. Tanya Carrone discussed the importance of the community library. She expressed personal support of the City Center project, and the opinion that the community's election of Supervisor Karen Abowd "was also an endorsement of the City Center project."

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(6:35:16) Fred Brown expressed concern over building additional commercial space with “so many vacant commercial establishments in this town ... When we start filling those vacancies, they will create jobs because businesses will hire people and that’s what you want is people working in this community.” Mr. Brown discussed the amenities planned for the Ormsby House, and suggested that the City assist with completing the Ormsby House project prior to “start[ing] another project that’s going to tax us.” He discussed increases in property taxes and decreases in property values, and expressed the opinion that “we [don’t] need any more of these projects in the community that are going to tax the community one way or another.” He expressed opposition to Carson City leasing rather than owning the land. He suggested developing a ballot question “because ... you’re going to find there’s a lot more people against what you want to do than there are people who are for what you want to do.”

(6:39:45) Chet Alexander expressed the opinion that he “use[s] the library probably more than most people.” He displayed a Kindle™ and described it as “the library of the future.”

(6:40:24) Frank Page requested the committee to establish priorities “on the different activities that are going to be done under this plan.” In response to a question, Mr. Werner advised that the P3 feasibility report would be reviewed by another consultant if the project is forwarded to the design development stage.

Chairperson Dockery entertained additional public comment; however, none was forthcoming.

6. CITY MANAGER - DISCUSSION AND POSSIBLE ACTION TO RECOMMEND TO THE BOARD OF SUPERVISORS ACCEPTANCE OF THE FINANCIAL FEASIBILITY REPORT REGARDING THE CARSON CITY CENTER PROJECT PREPARED BY P3 DEVELOPMENT

(6:42:07) - Mr. Werner provided an overview of the presentation. (6:42:35) P3 CEO Jerome Harris thanked former CEO Rick Oshinski, who was present in the audience, and provided an additional information regarding the presentation. He described Carson City as a unique capital city “with a very fiercely independent, locally-owned business community, great civic assets, and wonderful museums and galleries that house the state’s history. The project is seeking to align political views and public and private resources to take advantage of Carson City’s assets and stakeholders’ desires.” He described the City Center project as “an opportunity for Carson City to take control of its own destiny, further supporting the shared vision that has already been established by community members.” He reviewed a project time line in conjunction with displayed slides, and introduced P3 President Mike Courtney.

Mr. Courtney reviewed the November 22nd Feasibility Study Report, which was included in the agenda materials, in conjunction with displayed slides. Member Kittess distributed to the committee members and staff a memo, dated November 20, 2010, and reviewed the same. In response to a question, Mr. Courtney advised that all the property necessary for the knowledge and discovery library has been acquired. In response to a further question, he advised there are two project scenarios. In conjunction with Member Kittess’ memo, Mr. Courtney responded to additional questions regarding parking, the Business Resource Innovation Center relative to Office Building #1, the public and private improvements and their associated leases with P3 Development, the square footage of the project and corresponding streets to be vacated, and parking requirements. Mark Lewis, representing the Nugget and the Hop and Mae Adams Foundation responded to questions regarding the status of the digital media lab and the business incubator. Mr. Courtney and Mr. Werner responded to additional questions regarding public agency contributions, possible grant funding, the proposed location of the transit hub, the BRIC lease, allocation of redevelopment funding, and the feasibility of the project. In response to a further question, Mr. Werner assured Mr. Kittess

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“we would not recommend that we go forward with a project to the signing of the contract when we do not have funding in place.” Mr. Kittess reviewed the spreadsheet attached to his memorandum.

Vice Chairperson Hooper thanked Member Kittess for the time and effort invested in his memorandum. In response to a question, Mr. Werner explained the purpose of this meeting to determine whether the feasibility study is sufficient to recommend to the Board of Supervisors “the next step to actually start getting into the details, the design work, and start developing the agreements ... [for] the next phase.” He reviewed the next steps. In response to a further question, Mr. Werner explained the importance of understanding the magnitude of the project. “... we might be off a few numbers here and there, but we need to know that whatever number we finally come up with, it doesn’t substantially change ... the nature of the project ...” Mr. Werner advised of having discussed parking with Planning Division Director Lee Plemel earlier in the day, and that the numbers used in the P3 feasibility study “are the appropriate numbers if you use the full downtown design code.” Mr. Werner assured the committee “we’re not bending any rules for anybody.” In response to a further question, he explained the next step to forward the committee’s recommendation to the Board of Supervisors, seeking direction to begin design development. He discussed the committee’s role to review design development documents “to make sure we are addressing those things in the detail that is required.”

In response to a question, Mr. Courtney advised that the forecasted annual lease costs are the same as were presented at the September 27, 2010 meeting. In response to a further question, he advised that the “forecasted annual lease costs in the spring of 2015 are the annual lease payments required for the public improvements and the spread is a function of the interest rate and the term of the funding that we would borrow or the term of the lease. So, in the best case scenario, say it’s a 20-year term and a tax exempt rate. In the worst-case scenario, we would have a 30-year term and a taxable rate and there’s a pretty good spread ... between those.” In response to a further question, Mr. Courtney assured the committee that “we would not go forward on the project, in the worst-case scenario, with a gap.” Mr. Werner reiterated “we won’t go into an agreement ... if there’s a gap between what’s needed for revenue and what we can provide. ... Whatever that mechanism is, when we sign on the dotted line, we will have ... reliable, ongoing funding that will do this project.” In response to a question, Mr. Harris advised of interest expressed in the office building leases. “On the hotel side, we are at the tail end of phase 2. Phase 1 has been completed. The project is feasible. Phase 2 is the actual construction costs and the ten-year pro forma and that should be available ... within the next 7 to 10 days.” Mr. Harris advised of having talked with hotel operators. “There are three companies, ... national brands, that have keenly been interested in the project itself and have expressed interest. So, we’re moving as fast as we can. At this point, ... the recommendation is going to be that we believe that the project is feasible and we’re moving forward. Clearly, there is a tremendous amount of work left to be done.”

In response to a question, Mr. Courtney explained that “the lease for the buildings and all the infrastructure would be a lease between the City and the developer, P3. The land leases ... there could be two or three, ... that would be between ... the City and the Foundation or P3 and the Foundation and then P3 would have another lease with the City. We just haven’t worked through that mechanism yet. But the building improvements and the land are going to be separate leases.” Member Bonkowski inquired as to a cost analysis between the land lease values that will be returned to the City to be used for operations and maintenance and the actual operations and maintenance. Mr. Werner advised that, after talking with Parks and Recreation and Public Works Departments staff, costs associated with operations and maintenance “wouldn’t be a big deal.” Mr. Werner clarified that the Library would be a different matter. Member

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Bonkowski inquired as to whether a cost analysis will be done for operations and maintenance of the knowledge and discovery center during the development agreement stage. Mr. Werner advised that Library Director Sara Jones has evaluated the Library operation. Other City staff will review, in more detail, costs associated with operations and maintenance of the plaza “once we get the size pinned down. ... The parking garage would be the other thing. ... At that time, ... we’ll have an idea also of what the land lease portion of our lease payment is so we can ... compare them and see how we’re doing.” Member Bonkowski requested to have the “due diligence material” provided to the committee members prior to being asked to move the project forward. He expressed understanding that the subject item is simply to move the concept forward in order to get to the development agreements. In response to a question, Mr. Werner explained that “when we first started, we weren’t sure we were close enough to even have a project. ... Now, we would do what would normally be part of a regular project, we get into the details of it ...” Mr. Werner assured the committee members they will be involved in due diligence “before we ever sign an agreement. You’ll do due diligence before we ever get any kind of a commitment to do anything as far as the project goes because we have to do that, but that part isn’t here today.” Mr. Werner clarified that the subject item does not request the committee to recommend approval of the project to the Board of Supervisors. “What you’re saying is that we think it’s close enough to take it to the next step.”

Member Lawrence inquired as to the timing of the EDA grant. Mr. Werner anticipates a “normal EDA process. ... Sometimes, it can take a long time. ... If we have a commitment to it at the time we do the design and start going forward, we’ll count it in the project. If it’s not in hand, we don’t count it in the project.” In consideration of best and worst-case scenarios, Member Lawrence noted the “large factor of the possibility of obtaining outside grant funds and if we’re not going to know that factor for a long period of time, then it seems like it puts us in a situation of having to even look at scaling back sooner than later.” Public Works Department Director Andrew Burnham anticipates hearing something within the first quarter of 2011. Mr. Werner reiterated “if it comes to a time that we are getting ready to move this project forward and we don’t have these dollars in place, then the project will go to the point that we either find additional sources of money ... or delay the project.” Mr. Courtney acknowledged that the forecasted annual lease costs will be fixed. Member Lawrence expressed continued concerns over operations and maintenance costs. He requested to see the background information regarding the digital media lab being operated under the existing Library budget. Mr. Werner explained that “the utility costs are not the factor; it’s the labor costs.” Ms. Jones further clarified that green building will save on utility costs, and discussed details of the same. She agreed with Mr. Werner that increased costs would be associated with additional employees. She advised that “in the four years [she’s] been running that library,” she’s lost five people. However, the library is open more than it’s ever been, there’s a branch at the Business Resource Innovation Center, things are being done differently in that there are fewer full-time employees “and we’re using technology.” She advised that the RFID implementation “made a huge difference.” She further advised that the \$1.5 million budget from the City is augmented with approximately \$400,000 in private and grant funding. “The 60,000 square foot library is totally operable ... at \$2 million.” She provided background information on her 25-years’ experience running libraries and offered to share her report with the entire committee. Member Lawrence expressed appreciation for consideration given to moving the parking structure.

Member Cardinal expressed appreciation for Member Kittess’ written questions. In response to a question, Ms. Jones discussed the “vast increase” in the amount of technology in the new knowledge and discovery center “versus what we currently have.” She advised of having received stimulus funding in the amount of \$600,000, and reminded the committee of the lease payments which will be allocated to the library. She noted that the allocation will “be used to keep us technologically advanced and can be used to leverage

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other grant funding.” Ms. Jones noted that the digital media component in a library “is not completely foreign. ... There are about four in the country. They’re wildly successful.” She expressed the opinion that the library format has changed, but not the need. Member Cardinal suggested that, with three times as many PCs, the associated labor “on just a salary range,” would “probably be higher than what you were currently using anyway.” In response to a question, Mr. Harris explained that the 110 employees for the 150-room hotel also includes the conference / events center. Member Cardinal advised that the Casino Fandango and its associated 100-room hotel has 800 parking spaces “and many times I don’t have enough parking.” He suggested that in order to have a successful operation “would probably dictate more parking than what we’re seeing from the minimum on the Code.”

Member Rocha expressed the opinion that the parking structure “does not benefit the knowledge and discovery center ... the way that it should.” He inquired as to the method by which the lease payment allocation will “play into the budgeting ... in terms of ... general fund monies.” Ms. Jones anticipates that “it would work the same way ... [as] any auxiliary funding.” She discussed the philosophy that the City’s general fund pays “the fundamental basics ... and the supplemental funding helps ... enhance offerings.” In response to a previous comment regarding technology, Ms. Jones provided background information on her experience with the old, troubled equipment at the time she took over the Library. “If you can keep it current and we have systems that manage it ... it really isn’t more time. It’s when it’s old and constantly needing care that you run into trouble so that’s why the Foundation’s support is absolutely critical because we’ve not been able to heretofore have but the very fundamentals of technology from the City ...” Ms. Jones advised that the City’s general fund allocation would be budgeted the same as any other department “and then the private side would come in and supplement.” In response to a question, Ms. Jones advised that local government does not handle private funding allocations the same as the State. She noted the statutory responsibility, pursuant to NRS 379, to create and provide a budget to the Board of Supervisors. She explained that the Library is “not the same as another general fund agency that the City Manager manages.” She expressed the hope that the gift will be allocated with a “no supplant” clause.

Member Bonkowski inquired of Mr. Neighbors if, during the term of the land lease, the lease payments are returned on the public components of the project and, if at the end of the lease term, the land is deeded to the City, what is the return on the investment to the Foundation. Mr. Neighbors responded, “That kids are being given literary opportunities.” He explained “the delay is because we don’t want to donate the land to P3. So, once we know the building and everything is owned by the City, ... we’re willing to then donate that land. The second point is we really believe that the world is changing faster and faster, ... and we want a mechanism for the library to stay current. We believe there’s a new revolution in digital media and information technology and we want Carson City’s Library to be the cutting edge of that. So we want whatever money we’re receiving for that land to go to the Library.” Member Bonkowski referred to previous statements that the Foundation is not in the business of giving away its assets. In response to a further question, Mr. Neighbors advised that the City will be given “a fee simple deed at the end so the library will own the land that their building sits on.” He explained that “we’ve already wrestled with it and we’ve concluded that this isn’t about how much of a return we get back for the Foundation. The Nugget has about \$15 million worth of real property assets.” Mr. Neighbors provided background information on the Foundation’s “Community First” mission, and stated “we may not get the return that the normal investor wants to get. We’re okay with that. ... whatever the rent is we can get, I have an obligation to the community, as a trustee, to get what I can for the Foundation to come back to the community, but when I’ve taken it from one arm of the community to put it in another one, it doesn’t make sense.” He advised of the intent to “negotiate an extremely, extremely reasonable rent that goes then back to the Library to keep them

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current.” With regard to the plaza, he acknowledged operating costs. “So, again, whatever we’re receiving on the land for the plaza, that’ll go back to whoever’s taking care of the plaza. ... Our return is the donation to the community.” With regard to the private portion, he stated, “I already know that I’m going to be beat up a lot. So, there my goal is to hold fast what I can for the community because ... it isn’t coming out of the community pocket. ... all the trustees of the Foundation, the motivation is to get jobs. Ultimately, we’ve found that the core issue for a lot of our youth problems are just good jobs; that kids don’t have ... careers here in Carson City.”

Mr. Neighbors acknowledged concerns relative to parking. “This isn’t about the Nugget falling on our sword ... I have an obligation ... to keep the Nugget going and the employees employed ...” He discussed the federal government match available for donating the land to construct the parking garage. He expressed the understanding that “it’s taken us a year to go from the question, ‘Can we go look at this to see if it’s feasible’ to ‘Yes, it looks feasible. Can we go dig into the details?’” Mr. Neighbors reiterated concern over the parking garage and advised of concern regarding “a number of things, but ultimately we want to do what’s right for the community. That’s what the Foundation is here for.” In response to a further question, Mr. Neighbors assured the committee members that the Foundation Trustees are prepared to sign the necessary documents to ensure the land is deeded to the Library.

Vice Chairperson Hooper discussed his experience with a \$250 million Colorado development. He expressed concern over the business incubator, the parking, and other things. He suggested “the question comes down to, ‘Do we want to move forward with looking at that big, asphalt surface out there becoming a cool entertainment place, a place for young professionals to hang out, a place for digital careers to begin?’” He discussed feedback from young people indicating support for a digital media lab, and expressed concern over “sell[ing] ourselves short now by not going that extra mile now and looking at the details. So if it comes down to picking it apart because we don’t have the details right now because we’re against the deal, then I think we’re making the wrong move.” Vice Chairperson Hooper expressed support for considering the details because “every study that’s been done on this region, on economic development, states that we have to have a better place for young professionals to hang out and exist. The types of things that those studies have pointed out are all incorporated in the concept of this.” Vice Chairperson Hooper expressed the opinion that “having more traffic downtown, having a really cool city center, public performance stages, a transit hub, all this stuff just seems to make sense. And, then, let’s get the details. Let’s see what it really looks like ...” He expressed assurance that “if it doesn’t pencil out, P3 is not going to be investing \$30 million in this thing. Neither will the Board allow it to happen.” He recommended allowing the City Manager and his staff to “take a closer look and come back ... with those details.”

Member Patton disclosed that she is a member of the Library Board of Trustees, and described the project as “a pebble dropped in the middle of [a] big pond and it’s going to spread all over town eventually. It’s not going to happen over night. Not all of your office buildings are going to get filled within a year, but within five years,” she expressed the opinion, “everything will be filled. We’ll have businesses coming in here wanting to build more places to operate.” She expressed the further opinion that “the City would be remiss in not looking into ... this opportunity ... further.” She referenced a study by the *Reno Gazette-Journal* relative to the subject project. She expressed the opinion “we’re on the cutting edge of helping ourselves out of a bad economic situation rather than waiting and being on the tail end of doing what needs to be done to bring our community back where it needs to be.” She noted that “the Library was supposed to be the centerpiece of this project which ... P3 has done, and it was done to help stimulate and create jobs not to bring in tourists.” She advised that the Library Board of Trustees had communicated to Mr.

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Neighbors, “we don’t have any money, we’re looking for a place to build, but we can bring you 300,000 people a year walking around downtown if you’ll help us build the library downtown.” She commended the current Library under Ms. Jones’ direction, “but it is way too small, our collection is small, and to get new items into the collection, we have to remove things that are there already.” She noted that nearly all the seating space has been removed “to make as much room for books as possible.” She reviewed the additional lacks and discussed the benefits of improved technology at the library. She expressed support for moving forward.

In response to a question, Mr. Werner advised there is not yet a cost estimate associated with “this next step.” There is a consultant retained to review the details, “but we’ve not used him yet because we haven’t had enough information for him to sit down and go through the details ...” Mr. Werner estimated the consultant’s contract at \$15,000 to \$20,000. In response to a question, he expressed the belief “we were just projecting time lines.” He advised there has been no time line established for the project. In response to a further question, Mr. Werner advised that the previously-referenced consultants are “a construction company out of California that do a lot of the private / public developments through redevelopment authorities down there.” He provided background information on the consultant in response to a further question.

In response to a comment, Mr. Courtney provided additional clarification of the lease flow-through payments. In response to a question, he advised that lending institutions will require demonstration of leases for the private portion of the project. Following a brief discussion, Member Lewis expressed support for the public portion of the project in consideration of the freeway bypass. Mr. Courtney advised of having consulted with Sperry Van Ness representatives to discuss such things as the demand for office space and retail that’s not yet currently in town. Member Lewis conveyed commercial and retail property owners’ concerns relative to new office space taking away from their businesses. Mr. Courtney acknowledged the purpose of the project to “bring in new business that should generate additional business” and tax revenue. Mr. Courtney further acknowledged that P3 will be responsible for attracting retail businesses. Vice Chairperson Hooper discussed the interest in the subject project from prospective business owners. He expressed the opinion that the digital media lab in the knowledge and discovery center “will create a lot of jobs.” He discussed the concept of virtual incubators which use digital technology.

Chairperson Dockery opened this item to public comment, and provided direction with regard to the same. (8:31:49) Frank Page introduced himself for the record. Mr. Werner acknowledged that an independent consultant will review the P3 Feasibility Report. In response to a further question, Mr. Werner advised that as much federal funding will be used as “we can possibly get.” Mr. Page provided background information on his 35-years’ experience with the Nevada Department of Transportation, and discussed his understanding that the project will have to be submitted to the bid process. “This doesn’t necessarily mean that we will have a local contractor or local people working on the job.” Mr. Werner discussed the requirements associated with the public portion of the project. Mr. Page expressed the opinion that the knowledge and discovery center is the most important focus of the project.

(8:34:04) Carol Howell introduced herself for the record. In conjunction with displayed slides, Mr. Courtney responded to questions regarding the proposed location for the parking structure. Ms. Howell advised she would “probably have a lot more faith in this feasibility study had the City employed somebody that did not have a vested interest in it.” Mr. Werner clarified “the feasibility is whether or not they can come up with a guaranteed maximum price that we can agree to. They have to agree to it otherwise there’s

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no feasibility. In other words, if there's nobody to fund it and build it, then there's nothing to start with anyway." In response to a comment, Mr. Werner advised that the City will allocate funding "only if we agree to it." Ms. Howell expressed a preference for a new library and for a convention center, but objected "to the cost of this in today's economy." In response to a question, Mr. Werner explained that the lease payment on the project is going to be citywide, based on sales tax. "We're not going to put the lease payments in the library's budget for them to pay. It'll be part of the overall project payment." Mr. Werner acknowledged that sales tax, redevelopment revenues, grants, and water and sewer infrastructure funding have been identified as sources for the project. Ms. Howell reiterated that the project is not "the smart thing to do ... in today's economy ..."

(8:40:05) Rob Joiner thanked the committee members for their time. In response to a question, Mr. Werner clarified that redevelopment has been identified as one source of available funding, but the Board of Supervisors will make the decision relative to the allocation. In reference to the Summary of Findings paragraph, "What would the clients like to build?" section, at page 3 of the feasibility report, Mr. Joiner suggested "right now, it's clear, from your discussions, that the office portion and residential, especially, are not feasible; that it would be good to have a hotel and meeting space but they're not guaranteed to be feasible at this time." Mr. Joiner inquired as to the timing of the parking structure "to benefit more than just our public improvements ... It's going to greatly benefit an adjoining private property developer who may not be a developer. There is no guarantee that after we invest our public dollars that there will be further private investment." In response to a comment, Mr. Werner advised that "none of the [utilities] increases involved this project."

(8:46:44) Mary Fischer expressed appreciation for the presentation, and concern over building the public portion of the project without requiring that the private portion be built at the same time.

(8:49:34) John Anderson expressed concern that "some of the necessary detail is missing." He expressed the opinion "it's always important to get the plan together first and then start building." In response to a question, Mr. Werner estimated the portion of the lease payment to be paid by redevelopment funding is one-quarter of the redevelopment budget. Finance Department Director Nick Providenti explained that "the \$500,000 will be easier to absorb because there will be debt that we owe now that will be coming off." He reviewed associated figures in 2014 and 2022. In response to a question, Mr. Werner explained the Foundation's allocation to the knowledge and discovery center. In response to a further question, he clarified that the "ground lease is the only portion of it that comes back from the Foundation. ... we pay P3 for the lease for building the building and leasing the ground. They, in turn, pass to the Foundation the portion of the ground lease. The ground lease portion comes back to the City. That's all." In response to a question, Mr. Werner reiterated "the ground lease is the only portion that's coming back to the City." Mr. Anderson expressed the opinion that "from a feasibility study standpoint ..., it's pretty important that the numbers make sense first before you can establish feasibility." In response to a question, Mr. Munn was uncertain as to whether the parties could stipulate that all contracts would go to Nevada contractors. A determination would have to first be made relative to those portions which are being built by a private entity or by the City. Mr. Anderson expressed opposition to allocating redevelopment funding to out-of-state contractors. He requested the District Attorney's Office to research the possibility "if the project goes forward."

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(8:55:42) Donna Curtis thanked the committee members for their time, and expressed concern over sufficient parking. Mr. Courtney and Ms. Jones reviewed proposed parking in conjunction with displayed slides. Ms. Curtis requested consideration for “switching the parking garage and the hotel so that the parking garage is closer to what would be the entrance to the library ...”

(8:57:35) Mike Pollard expressed concern over the impact of the project on the Carson City taxpayers. “We were originally told the only impact on us would be the 1/8 cent sales tax. Now, according to the projections, we’ll be paying anywhere from \$1.3 to \$2.1 million in lease payments which will be in addition to what we’re currently paying.” In consideration of creating jobs, Mr. Pollard noted “the only jobs mentioned tonight were the ones with the hotel which is in a not built basis right now. The only jobs that were listed in the feasibility study were construction jobs which will be fairly short-term.”

(8:59:04) Michael Celoga advised of having recently moved to the area from Grand Junction, Colorado “which has a very rich business incubator which has been there for 23 years, created about 9,000 jobs over the course of that time in about 200 different companies.” He suggested “this is one of the few organizations that is proposing this project that will be an ongoing job creator and it’s not just going to be the digital media side of things. It will be in a whole variety of different industries across the board.” He provided background information on the creation of the Grand Junction, Colorado business incubator. In response to a question, he advised that Grand Junction’s business incubator is a 501(c)(3) nonprofit organization. He acknowledged that the business incubator works closely with the Grand Junction Chamber of Commerce, and provided additional detail with regard to the same.

(9:02:48) Rob Joiner discussed additional concerns relative to parking.

(9:04:13) Robin Hodgkin expressed appreciation for the community’s quality of life “that’s being constantly improved with the Farmers Market being downtown, with the skating rink being downtown.” She thanked the committee members for their hard work, and “urged [them] to move this forward to the next step because ... Carson City is ready for it, and ... our youth are ready for it, and ... this is the only way Carson City can move forward to be the capital city that it should be and deserves to be for all of Nevada.”

(9:05:03) On behalf of the “hundreds or thousands of unemployed construction workers,” Chris Heit expressed support for the construction jobs represented by the project.

(9:05:43) In consideration of the master plan development schedule, Joe Crowdiss expressed the opinion that “Carson City ... right away is on the hook for \$30 million and the developer is on the hook when he deems it feasible.” In response to a question, Mr. Werner advised that “no contracts are set to go.” He acknowledged that utilities infrastructure will have to be installed prior to any further construction.

Chairperson Dockery entertained further public comment and, when none was forthcoming, a motion. **Vice Chairperson Hooper moved to recommend to the Board of Supervisors to move forward on this project. Member Patton seconded the motion.** Vice Chairperson Hooper acknowledged that the intent of his motion was to recommend moving forward “with the feasibility of the project and not to approve the project.” As a member of the Carson City Board of Supervisors, Member Aldean advised that she would abstain from voting on this item. Member Kittess expressed no opposition to moving forward, and concern that much has been “said ... tonight that we didn’t know. They are facts not in evidence.” He suggested a report “that at least establishes a benchmark because some of us that are older can’t remember that every

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time we meet that it's this or that." He commended the feasibility report, but requested P3 representatives "to bring it up to date." In response to a question, Mr. Werner advised that the project will not be funded by traditional tax increment financing. In response to a further question, he advised that the project will move forward "if the Board of Supervisors directs us to do that and to take it to the point that we have a project that we can finance. ... if it goes down the road and we can't finance it, it's not a project." In response to a further question, he advised that a negative vote on the motion would be carried forward to the Board of Supervisors as the committee's recommendation. "The Board ultimately makes that decision, either yea or nay." Mr. Werner acknowledged that the project will be resubmitted to the committee prior to any contracts being signed. Discussion followed and, at Member Williamson's request, Member Aldean further clarified her decision to abstain from voting on the pending motion.

Vice Chairperson Hooper called the question. Chairperson Dockery called for a vote on the pending motion. **Motion carried 9-1-2; Members Lange and Aldean abstaining.**

7. NON-ACTION ITEMS:

INTERNAL COMMUNICATIONS AND ADMINISTRATIVE MATTERS - None.

CORRESPONDENCE TO THE COMMITTEE - None.

STATUS REPORTS AND COMMENTS FROM THE COMMITTEE MEMBERS - None.

STAFF COMMENTS AND STATUS REPORT - None.

8. ACTION TO ADJOURN (9:18:27) - A motion was made, seconded and carried unanimously to adjourn the meeting at 9:18 a.m.

The Minutes of the November 22, 2010 Carson Nugget Development Advisory Committee meeting are so approved this _____ day of August, 2011.

SCOTT DOCKERY, Chair