

CARSON CITY REDEVELOPMENT AUTHORITY
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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 5, 2005, 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, District Attorney Noel Waters, and Recording Secretary Katherine McLaughlin (B.O.S. 5/5/05 Tape 1-0983)

NOTE: Unless otherwise indicated, each item was introduced by staff's reading/outlining/clarifying the Board Action Request 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.)

APPROVAL OF MINUTES - 12/6/01, 3/17/05, AND 4/7/05 (1-0985) - Member Aldean indicated an intent to abstain on the 12/6/01 Minutes. Member Livermore moved to approve the Minutes of the Redevelopment Authority for the December 6, 2001, meeting. Supervisor Staub seconded the motion. Motion carried 3-0-2 with Member Teixeira and Chairperson Williamson abstaining.

Member Livermore moved to approve the Minutes of the Redevelopment Authority for March 17 and April 7, 2005, meetings as presented. Member Staub seconded the motion. Motion carried 5-0.

A. ACTION ON THE REDEVELOPMENT AUTHORITY CITIZEN COMMITTEE'S (RACC) RECOMMENDATIONS REGARDING A FLEXIBLE SPENDING PLAN FOR THE UNSPENT BOND PROCEEDS, NEW CRITERIA TO EVALUATE REDEVELOPMENT INCENTIVE APPLICATIONS AND OTHER RECOMMENDATIONS PERTAINING TO THE REDEVELOPMENT INCENTIVE PROGRAM AND PROJECTS PERTAINING TO REDEVELOPMENT PROJECT AREA NO. 1 (1-0995) - Redevelopment and Economic Development Manager Joe McCarthy, RACC Member Stan Jones, Chamber of Commerce Representative and RACC Member Jed Block - Mr. McCarthy's introduction included a power point review of the history of the downtown district. (A copy is in the file.) Chairperson Williamson explained that \$1.2 million of the original \$2.9 million in bonds had been set aside for a parking garage under a concept that would have the State participate with the City in its development. This estimate had not been based on a design or cost analysis. Member Aldean expressed her belief that the funding should be held for a significant anchor project. Once a significant anchor project is developed in the downtown area, additional projects will occur which may not require incentive funding. Her concern with a program which continues to erode the funding was explained. She questioned the need to provide financial incentives for investors who would make such a commitment without the funds. She preferred having a program that would provide incentives for an ambivalent investor who could make it a

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successful project but must be convinced that he can do the project with the City's support. A parking garage is needed. She applauded the individuals who had made a major commitment in the downtown area. Chairperson Williamson suggested that the philosophy and criteria be discussed before consideration is given to the individual projects. Member Aldean supported discussion of the philosophy so that applications do not continue to be submitted when the Authority does not want to support them due to a desire to maintain a reserve for the parking garage. Chairperson Williamson explained that the Committee only makes recommendations. The Authority makes the final decision. The Committee will follow the Authority's decisions regarding the policy. She also felt that the Authority had previously directed staff to find applicants for the incentives. The message can be changed if the Authority wishes.

Member Staub supported Member Aldean's position and explained his belief that a request had been made on at least two occasions for a report on the downtown parking needs, if a parking problem exists, and whether there are other partners besides the State who are willing to participate. If a parking problem does not exist, then the funds should be used for other purposes. He then explained that he had been contacted by two Committee members regarding the incentive program and the philosophy in addition to other individuals who are wanting information regarding Project Area 2 and its incentives. The policy to continue to erode the funds will not allow a parking garage or major project to occur in two to five years as the funds will be gone. He also believed that if the garage is not needed, the funds should be used for exemplary projects. He urged the Authority to use caution as it moves forward.

Chairperson Williamson explained the problems encountered in doing the parking assessment. Her contact with Parking Enforcement Officer Frank Rahm indicated the only parking problems occur during special events or during the lunch hour and are created by the individual's desire to be as close to the restaurant or event as possible. At those times, there is more than adequate parking available in the surface lots but these are located away from the desired location. She felt that after the freeway is opened and Carson Street is returned to the City, parking could be allowed on Carson Street which would eliminate the need for a garage. This change in the downtown area will blend it into the creation of a "walkable" community with more pedestrian and bicycle attractions and fewer motorized vehicles. She then explained that Mr. McCarthy and she had always pursued any partnership opportunities that have been suggested and will continue to do so. This effort includes potential parking proposals. The flexible spending program will allow them to support a cinema opportunity or housing opportunities with a garage. Comments from other redevelopment communities indicate parking must be part of another project in order to be successful.

Member Staub explained his reasons for wanting a parking assessment and belief that the City should have been able to find someone who could do it before now. He then explained his concern that there will be a parking problem in the future, if one does not currently exist, and questioned how the need will be met at that time. Changes which have been and are continuing to be made in the area create an impact on parking needs. Their impact needs to be considered in the assessment. Without appropriate planning now, funding will not be available to meet the parking needs of the future.

Mayor Teixeira then explained his original involvement with redevelopment in 1989-90. As a result of the "Albany plan" and problems encountered with the lending institutions, the funding incentive program was developed. Examples of investments and successes, as well as a failure, were provided to show that the program had worked. Efforts at that time had also included a parking garage but had not considered involvement with the casino operators. He supported moving forward with a "visible" parking garage to

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attract people to the area. The program of allowing mixed residential and commercial uses will broaden the redevelopment area to include Curry Street. He recommended that a joint meeting be held with the Committee to discuss the philosophy and to communicate the policy and direction desired. This should eliminate the mixed signals which may be occurring now. Member Staub concurred.

Member Livermore indicated that he respected the Members' opinions. The success of the redevelopment program was noted. When the freeway is completed, vehicular traffic will bypass the downtown area. In 1980s and 1990s, redevelopment had a chance of being successful as competition from shopping centers in surrounding counties and the freeway had not occurred. A large project is needed in the downtown area to attract people to the area. He questioned whether it will ever be possible to attract one to that area. Small projects are viable and possible. His vision expanded the district to the north. An effort must be made to divert "drive around" traffic. He wished that the problem was a lack of downtown parking. He looked forward to having the joint meeting and reiterated his belief that the core of the district should be expanded and the "drive around" traffic needs to be diverted to the downtown area.

Mr. Jones indicated that he shared the Authority's concerns and feelings. He questioned where a location for a garage could be found. He felt that people will not walk far, therefore, the City must partner with the State for the garage. He believed that the only location for a garage is on Stewart Street. He wished to use the funding for improvements to the downtown infrastructure, i.e., expand the main street lighting. Some funds could be used to expand the lighting to the northern boundary. It should not be an expensive project. Enhancements are needed. He looked forward to having the opportunity to share thoughts.

Mr. Block suggested that something be done to make the location of the two parking garages in the downtown area more visible. He suggested that two additional levels be added to the garage behind the Legislature. Reasons he believed businesses had abandoned the downtown area when shopping centers opened in Carson City were indicated. He supported Mr. Rahm's belief that parking is at a premium during the lunch hour. When the Lucky Spur reopens, it will utilize the parking on Procter Street. His experience also indicated that there is parking during the lunch hour in the City parking lot near the City Bank. He reiterated his belief that the City should partner with the State and that the addition to the garage may be a viable solution. Funding should be left for other infrastructure improvements including the street improvements and widening.

Chairperson Williamson then explained that the incentives for the auto sales Project Area 2 will be separate from those of the downtown Project Area 1. A group or the auto mall participants should tell the Authority what incentives should be done for Area 2. Its incentives may not be the same. Member Staub concurred and indicated that it is a fluid situation. People are interested and need to know if they will qualify for incentives for their business plans. Member Aldean suggested that the Item be discussed during the joint meeting. Discussion indicated that the applicants for the following projects were expecting a response during today's meeting. Chairperson Williamson indicated that the plan could be deferred but action should be taken on the applications. Member Aldean moved to defer consideration of the Redevelopment Authority Citizens Committee's recommendation regarding the implementation of a flexible spending plan and the adoption of new criteria to evaluate Redevelopment incentive applications until a joint meeting or a joint workshop has taken

place between the Authority and the Citizens Advisory Committee. Member Teixeira seconded the motion. Motion carried 5-0.

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B. ACTION TO ACCEPT THE REDEVELOPMENT AUTHORITY CITIZEN COMMITTEE'S RECOMMENDATION TO AWARD INCENTIVE FUNDING TO JOYCE HARRINGTON IN AN AMOUNT NOT TO EXCEED \$48,000 OR NOT TO EXCEED 20 PERCENT OF THE PROJECT COSTS ASSOCIATED WITH THE RESTORATION AND RENOVATION OF THE HISTORIC CHARTZ HOUSE AT 408 ROBINSON STREET, APN 003-236-01, TO A BED AND BREAKFAST INN OPERATED IN CONJUNCTION WITH THE BLISS MANSION BED AND BREAKFAST INN (1-2018)

- Following Mr. McCarthy's introduction, he indicated that he represented the Applicants and explained the reasons they were not present. The criteria and project are described in the Authority's packet. The Committee had recommended approval of the incentive. The funds will allow the project to be completed in the quality manner expected by the Applicant. Chairperson Williamson explained that the Committee recognized that her application was in the system and had not used the proposed incentive criteria to penalize her for the change in philosophy and administrative criteria. The Committee had unanimously approved the application. The funds will be paid on a reimbursement basis. Mr. McCarthy's approach, when discussing the applications and incentives with prospective applicants, was described. The applicant is advised that they must argue the merits of the project and complete the project in a fashion that would not otherwise have been considered in the remodeling. The applicant is counseled that the Authority makes the final decision re-

garding the incentives. Member Aldean felt that the funding enhances a project and does not stimulate the project. Chairperson Williamson then explained that the building is more than 50 years old. There have been numerous meetings between the Applicant and the Historic Resource Commission. Changes and reconstruction were required that had not been anticipated. Examples illustrating such changes included finding dry rot in a porch and the design of the lift for handicapped individuals. The replacement and removal of projects started before discussions with the Commission were not included in the application. Mr. McCarthy explained his belief that the Applicant had proceeded with the project based on the belief that if she makes a compelling case to the Authority, she would qualify for incentive funding that would allow her to make the quality project that meets her standards. Member Teixeira moved to accept the Redevelopment Authority Citizens Committee's recommendation to award incentive funding to Joyce Harrington in an amount not to exceed \$48,000 or not to exceed 20 percent of the project costs associated with the restoration and renovation of the historic Chartz House at 408 Robinson Street, APN 003-236-01, to a Bed and Breakfast Inn operated in conjunction with the Bliss Mansion Bed and Breakfast Inn. Member Livermore seconded the motion. Member Livermore explained that his reasons for supporting the motion were based on the fact that the application was already in the pipeline and the amount of detail and work involved getting an application through the Historic Resources Commission. The \$48,000 funding will leave more than \$1 million in the fund for allocation. Member Staub explained that he would support the project although he was hesitant to do so based on his previous comments. Member Aldean indicated that she would make it unanimous based on what she had heard. She has concerns. She then recommended a temporary suspension of applications until the proposed meeting with RACC and a course of action is decided. She did not want to be in the uncomfortable position of having a project with a dedicated applicant and having to turning him/her down. They are eroding the bonding base. The motion to approve the project as indicated was voted and carried 5-0.

C. ACTION TO ACCEPT THE REDEVELOPMENT AUTHORITY CITIZEN COMMITTEE'S RECOMMENDATION TO AWARD INCENTIVE FUNDING TO BRET AND DANI ANDREAS IN AN AMOUNT NOT TO EXCEED \$38,000 OR NOT TO EXCEED 20 PERCENT OF THE PROJECT COSTS ASSOCIATED WITH THE RESTORATION AND RENOVATION OF THE PROPERTY AT 810 NORTH NEVADA STREET, APN 001-192-08, TO AN OFFICE COMPLEX OPERATED AS

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A STATE FARM INSURANCE OFFICE (1-2232) - Chamber of Commerce Representative and RACC Member Jed Block - Chairperson Williamson explained that the structure is more than 50 years old. The original project was for \$78,000. Unanticipated repairs had increased the project to more than \$350,000. Member Teixeira supported having a dialogue with the Committee. Until that occurs, he could not deny the request. Member Livermore moved to accept the Redevelopment Authority Citizens Committee's recommendation to award incentive funding to Bret and Dani Andreas in an amount not to exceed \$38,000 or not to exceed 20 percent of the project costs associated with the restoration and renovation of the property at 810 North Nevada Street, APN 001-192-08, to an office complex operated as a State Farm Insurance office; fiscal impact is \$38,000 of unspent bond proceeds. Member Staub seconded the motion. Mr. Block pointed out that the funding is less than 20% of the total project. He also suggested that more joint meetings be held with both the Historic Resources Commission and RACC due to the fact that items which the Committee had "lightly" approved were back tracked by the Commission and had required more extensive renovations than had been planned. Additional comments were solicited but none were given. The motion to approve the funding as indicated was voted and carried 5-0.

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

The Minutes of the May 5, 2005, Carson City Redevelopment Authority meeting

ARE SO APPROVED ON June 16, 2005.

/s/
Robin Williamson, Chairperson

ATTEST:

/s/
Alan Glover, Clerk-Recorder