

CARSON CITY REDEVELOPMENT AUTHORITY
Minutes of the Special April 27, 2000, Meeting
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A meeting of the Carson City Redevelopment Authority was held during the special meeting of the Carson City Board of Supervisors on Thursday, April 27, 2000, 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 Ray Masayko, Jon Plank, Pete Livermore, and Kay Bennett

STAFF PRESENT: John Berkich City Manager
Alan Glover Clerk-Recorder
Walter Sullivan Community Development Director
Steve Kastens Parks and Recreation Director
Andy Burnham Engineer Services Manager
Rob Joiner Redevelopment Director
Tom Minton Deputy Finance Director
Neil Rombardo Deputy District Attorney
Juan Guzman Senior Planner
Katherine McLaughlin Recording Secretary
(S.B.O.S. 4/27/00 Tape 1-0001)

NOTE: Unless otherwise indicated, each item was introduced by staff's reading/outlining/clarifying the Board Action Request and/or supporting documentation. Staff members present are listed above. Any other individuals who spoke are listed immediately following the item heading. A tape recording of these proceedings is on file in the Clerk-Recorder's office. This tape is available for review and inspection during normal business hours.

Mayor Masayko 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 of April 27, 2000, for discussion/action on the other Agenda items.)

A. ACTION TO APPROVE A SETTLEMENT AGREEMENT BETWEEN CARSON CITY, A CONSOLIDATED MUNICIPALITY AND A POLITICAL SUBDIVISION OF THE STATE OF NEVADA, AND THE CARSON CITY REDEVELOPMENT AUTHORITY, A POLITICAL SUBDIVISION OF THE STATE OF NEVADA, AND EUGENE J. LEPIRE, SR., AND JUDY L. LEPIRE, DOING BUSINESS AS COMSTOCK COUNTRY R. V. RESORT, SETTLING THE APPEAL BEFORE THE BOARD OF SUPERVISORS REGARDING THE CARSON CITY PLANNING COMMISSION'S DECISION TO APPROVE SPECIAL USE PERMIT U-99/00-26, A SPECIAL USE PERMIT ALLOWING COSTCO TO BUILD A FACILITY OVER 50,000 SQUARE FEET AT 700 OLD CLEAR CREEK ROAD (1-0025) - Lepires' Legal Counsel Rick Elmore, Executive Vice President of Real Estate for Costco Wholesalers Jack Frank - Mr. Rombardo distributed a memo regarding the general appeal agreement to the Board and Clerk. (A copy is in the file.) A final agreement had not been drafted for the Board's consideration. Mr. Elmore purported that an agreement had been drafted which would remove the delivery hours restriction if the Lepires' were able to seek relief at a future date should the noise be unbearable. Copies of this agreement were distributed to the Authority but not the Clerk. As Mr. Elmore had not seen the document, his clients had not signed it. Costco representatives had not been able to approve this compromise. Reasons he felt the offer had been reasonable were noted. Comments suggested that the Authority proceed with the settlement agreement but not the appeal and that action be delayed until later in the meeting.

Mr. Frank delineated his reasons for feeling that as Costco wished to be a good neighbor, it would be incumbent upon it to implement site and building designs which would mitigate any impacts on the neighbors and/or the community. The building exceeds the Code setback requirements. Stipulations had been made requiring berms, landscaping, and sound walls. An acoustical study of the existing noise levels and of existing Costco operations had been conducted. The building had been moved even more in an effort to mitigate any potential noise impacts. The study purportedly shows that the firm had gone beyond its "call of duty" in performing sound mitigation measures. Therefore, he asked that no receiving hour restrictions be imposed. Authority discussion indicated that the proposed agreement called for a 65 dba sound reading, however, the current level is in the range of 77 and 67

dba depending upon the location of the meter. Mr. Frank agreed to restrict the hours for parking lot sweeping and/or operation of the compact and bailer. The bailer and compactor are felt to generate more noise than other operations, therefore, they are inside the building. He also pointed out that the distance between the operations and the RV park as well as the sound wall would reduce any noise impacts created by these operations. The ambient noise from Highway 50 should mask the roof top air conditioner. Member Livermore pointed out that the zoning on both parcels is commercial. The noise issue may establish a precedence in such cases. Staff did not have any information regarding noise levels in commercial districts. As discussion was entering into the appeal, Member Masayko pointed out that the issues upon which agreement had been reached should be separated from the appeal and suggested a motion which would approve the items upon which a compromise had been negotiated.

(1-0325) **Member Masayko moved that the Redevelopment Authority accept the list of collateral items outside of the negotiated and agreed to items which are collateral outside of the appeal on the special use permit including but perhaps not limited to the west boundary line adjustment and some other property exchanges there, the driveway payment, the conveyance of property for the NDOT license, the payment to the Lepires' for lost income, the sewer and water lines and connection issues, the fact that the Lepires' will waive their request for permanent lost revenues and replacement of costs for lost sites, waive their request for attorney fees and the request for money spent on changing their brochures and that does not require them to remove their appeal. He felt that these items were outside of the appeal. Member Livermore seconded the motion.** Discussion explained that Member Masayko had used the memo to list the items. He felt that the Authority should indicate that there is agreement on these items and leave the remaining items for the appeal. Following a request for an amendment, **Member Masayko amended his motion to include the fiscal impact of \$136,100 for the sound walls, the driveway, and the lost income.** Mr. Berkich indicated that Mr. Lepire would pay \$13,776 to the City. **Member Livermore concurred with the amendment.** Discussion indicated that the south soundwall was part of the appeal issues related to the sound concerns. **Member Masayko again amended his motion to remove this from the motion and reduced the fiscal impact to \$80,300 which is the amount of the City payment to the Lepires and that \$13,776 is the Lepires' payment which will settle these items outside of the special use permit. Member Livermore concurred.** Discussion noted that the appeal had been based on these items, however, negotiations had resolved them. The motion would eliminate the need to discuss them. Mr. Elmore reminded the Authority that the agreement was contingent upon settling all of the appeal items. Without a final agreement on all of the remaining issues, an agreement had not been reached. Member Masayko felt that the Authority understood this, however, needed to show its good faith and resolve in putting those issues behind them. The next agenda item considers the remaining issues. Mr. Rombardo indicated that the proposed agreement was merely a skeleton on which a conceptual agreement had been reached between Mr. Elmore and himself. The other items could be added or subtracted in the final draft of the agreement. This includes placing conditions upon the items. Member Masayko indicated that this was the reason he had moved to include but not limit the items. **The motion as amended was then voted and carried 5-0.**

(1-0428) There being no other matters for consideration by the Redevelopment Authority at this time, Chairperson Williamson recessed the Redevelopment Authority and passed the gavel to Mayor Masayko.

(1-1405) Mayor Masayko again recessed the Board of Supervisors session and passed the gavel to Redevelopment Authority Chairperson Williamson. Chairperson Williamson convened the meeting by again indicating for the record that the entire Authority was present, constituting a quorum. (See Board of Supervisors Minutes of April 27, 2000, for discussion/action on the other Agenda items.)

B. ACTION ON A RESOLUTION BY THE REDEVELOPMENT AUTHORITY OF CARSON CITY APPROVING THE DISPOSITION AND DEVELOPMENT AGREEMENT (DDA) BY AND BETWEEN THE REDEVELOPMENT AUTHORITY OF CARSON CITY AND COSTCO WHOLESALE CORPORATION FOR THE SALE OF REAL PROPERTY LOCATED AT 700 OLD CLEAR CREEK ROAD, CARSON CITY, NEVADA, 80703, ALSO KNOWN AS APN 9-302-05, PURSUANT TO NRS 279.470, AND OTHER MATTERS PROPERLY RELATED THERETO (1-1408) - Mr. Berkich introduced Redevelopment Authority Special Counsel Brent Hawkins and Costco Wholesalers General Corporate Counsel Tony Unan. Mr. Hawkins delineated the purpose of the agreement. His comments included terms contained in other DDAs. Costco is paying fair market value for the land. The City is not rebating any tax revenues.

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Redevelopment will pay a portion of the extra-ordinary site preparation costs and for certain public improvements. It was a fair and favorable transaction in his opinion. Mr. Rombardo explained the public notice provided and that the original DDA had been made available to the public. The revised version did not have to be available for public review for the same two week period. He then reviewed the revisions. Problems related to the value of the Forest Services' parcel may be resolved by removing the parcel from the project. This will not jeopardize the project but would reduce the size of the site. It will, however, increase the cost of on-site improvements. Discussion explained the Forest Services' position regarding its landlocked parcel and the time required to complete its process. If and when the parcel goes up for sale, the City may bid for it. In the meantime, Costco will move forward with its project. Discussion noted the negotiated closing costs. Mr. Rombardo's explanation included a description of the attachments. Mr. Frank explained the June 15th closing date as being the outside date for closing. It may be possible for escrow to close before that date. Mr. Berkich then reiterated the contingencies related to the Forest Service parcel. They were the costs for the extra-ordinary grading costs, which is capped at \$375,000, and the retaining wall, which may be required along the common boundary if the parcel is not acquired.

Ray Meyer thanked the Lepires for accepting the compromises. Mr. Meyer reminded the Board of the March 6th meeting and the budget process when additional Deputy positions were funded. He thanked the Board and staff for seeking economic opportunities for the betterment of the community.

Richard Daly noted his knowledge of DDAs which had been acquired from his experiences in Reno, Sparks, and Douglas County. He complimented the Board, staff, and Costco for having a prevailing wage clause in the DDA. He also felt that Douglas County had given away a lot of concessions in order to obtain two retailers. Carson City had provided a good deal for Costco without making those concessions. Chairperson Williamson indicated that Mr. Daly is a participant in the "One Region, One Vision" effort. Additional comments were solicited but none given.

Member Bennett moved that the Redevelopment Authority adopt Resolution No. 2000-RAR-9 approving the Disposition and Development Agreement between the Redevelopment Authority and Costco Wholesale Corporation for the sale of real property located at 700 Old Clear Creek Road, Carson City, Nevada 89703, also known as APN 9-302-05, pursuant to NRS 279.470 and other matters properly related thereto as presented to the Authority in the "red lined" Disposition and Development Agreement reviewed and talked about this morning with the appropriate changes as presented and discussed. Member Livermore seconded the motion. Member Masayko pointed out the resolution's finding of blighted conditions, which he had failed to find. He indicated on and for the record that he could not vote to end a blighted condition which he had failed to find. For clarity of the record, he also stated that he had absolutely no difficulty with the Disposition and Development Agreement or the terms thereof. Chairperson Williamson complimented staff, including Mr. Berkich, for their dedication and efforts as well as Costco and its staff. She was aware that there had been an endless number of meetings which had occurred at night and on the weekends as well as during normal work hours. The project is a very positive addition to the community and she was very excited about its possibilities. Member Bennett echoed her comments. It is a big day and a big step forward for the community. They could not get there on their own but the dedication and effort of everyone had made it happen and work. She also congratulated everyone who had participated in the process. The motion was voted and carried 4-1 with Member Masayko voting Naye.

There being no other matters for consideration by the Redevelopment Authority, Chairperson Williamson adjourned the Redevelopment Authority and returned the gavel to Mayor Masayko.

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2000.

ARE SO APPROVED ON _____ August 3 _____,

_____/s/ _____

Robin Williamson, Chairperson

ATTEST:

_____/s/ _____
Alan Glover, Clerk-Recorder