

CARSON CITY REDEVELOPMENT AUTHORITY
Minutes of the November 16, 2017 Meeting
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A regular meeting of the Carson City Redevelopment Authority was scheduled to take place during the Board of Supervisors meeting on Thursday, November 16, 2017 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Chairperson Karen Abowd
Vice Chairperson Lori Bagwell
Member John Barrette
Member Brad Bonkowski
Member Robert Crowell

STAFF: Nick Marano, City Manager
Aubrey Rowlett, Chief Deputy Clerk
Nancy Paulson, Deputy City Manager
Adriana Fralick, Chief Deputy District Attorney
Kathleen King, Chief Deputy Clerk

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

15. CALL TO ORDER AND ROLL CALL (9:11:00) - Chairperson Karen Abowd called the meeting to order at 9:11 a.m., noting the presence of a quorum.

16. PUBLIC COMMENT (9:11:06) - Chairperson Abowd entertained public comment; however, none was forthcoming.

17. POSSIBLE ACTION ON APPROVAL OF MINUTES - June 1, 2017 and June 15, 2017 (9:11:15) - Chairperson Abowd introduced this item, and entertained a motion. **Member Bonkowski moved to approve the minutes, as presented. Member Barrette seconded the motion. Motion carried 5-0.**

18. CITY MANAGER - POSSIBLE ACTION TO RECOMMEND TO THE BOARD OF SUPERVISORS APPROVAL OF AN AGREEMENT, BETWEEN CARSON CITY, CARSON CITY REDEVELOPMENT AUTHORITY, AND CHRIS RUSSELL, PURSUANT TO THE INCENTIVE PROGRAM FOR REDEVELOPMENT PROJECT AREA NO. 2: SOUTH CARSON STREET - CARSON AUTO ROW; THE INCENTIVE WILL BE IN THE FORM OF A 30% REBATE OF THE BASIC CITY - COUNTY RELIEF TAXES AND SUPPLEMENTAL CITY - COUNTY RELIEF TAXES (SALES TAXES) GENERATED BY THE NEW AUTO SALES DEALERSHIP LOCATED WITHIN CARSON CITY REDEVELOPMENT PROJECT AREA NO. 2, FOR A MAXIMUM REBATE AMOUNT OF \$3,500,000 (9:11:46) - Chairperson Abowd introduced this item. Mr. Marano provided background information on this item, and reviewed the provisions of the agreement which was included in the agenda materials. Discussion took place, between Ms. Fralick and Supervisor Bonkowski, regarding the addition of dispute resolution provisions. Discussion took place regarding various provisions contained in the agreement, and Mr. Marano summarized the provisions of the proposed agreement. Chairperson Abowd noted the location of the property as the old Craft Market.

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(9:23:14) Chairperson Abowd welcomed Chris Russell and Chief Financial Officer Paul Stevens, of Chris Russell Auto Group. Mr. Russell thanked the Board for the opportunity, and narrated a SlideShow presentation which was displayed in the meeting room. Mr. Stevens reviewed the projected economic impact of the dealership over a 15-year period. Mr. Russell introduced a commercial which was played in the meeting room, and then discussed the same. Mr. Stevens discussed the jobs to be made available relative to the provisions of the proposed agreement and previous discussion.

At Chairperson Abowd's request, Mr. Marano advised that the main difference between the proposed partnership and what has been done with other car dealers in the past is construction of the commercial driveway. "Everything else is a rebate based on the sales tax generated by the business once they hit that 30-full-time employee number. ... the other deals, each one of them are different and ... there's been a couple amendments to each one of them but the previous auto incentive deals involved either money or property, sometimes both, up front. So ... the taxpayer is not footing any additional bill for this specific agreement so it's purely a sales tax rebate. We're going to rip up all that curb, gutter and sidewalk driveway on Carson Street and put all new ones in anyway. We're just going to move that part forward. So I think that's the main difference between the previous and the current auto incentive deals."

Supervisor Bonkowski read into the record a portion of the resolution which created Carson City Redevelopment Area No. 2. Extensive discussion followed, between the Board members, Mr. Russell, Mr. Stevens, and City staff regarding various provisions of the proposed agreement. Ms. Fralick advised that she would work with Mr. Russell's attorney to revise the agreement. She summarized the Board's direction, as follows: to provide for a mediation / arbitration process; to maintain 30 employees or the incentive is abated for the quarter, to be verified annually; at least 50% of the employees to be Carson City residents, if feasible; and the \$3 million rather than the \$3.5 million rebate. Additional discussion followed.

Chairperson Abowd entertained additional member comments and public comments. When no additional comments were forthcoming, she entertained a motion. **Member Crowell moved to approve an agreement, between Carson City, Carson City Redevelopment Authority, and Chris Russell, pursuant to the Incentive Program for Redevelopment Project Area No. 2; South Carson Street - Carson Auto Row. The incentive will be in the form of a 30% rebate of the Basic City - County Relief Taxes and Supplemental City - County Relief Taxes generated by the new auto sales dealership located within Carson City Redevelopment Project Area No. 2, for a maximum amount of \$3 million, subject to the following conditions: that there is an aspirational goal of 50% of the employees coming from Carson City; that the agreement is for 20 years; that the amount is \$3 million, not \$3.5 million; that there is a quarterly ratchet on whether or not they have met the 30 full-time employees requirement; and that there is to be a dispute resolution clause that is standard with other City agreements. Vice Chairperson Bagwell seconded the motion.** Chairperson Abowd entertained discussion on the motion. Member Barrette and Vice Chairperson Bagwell commented on their support for the motion. Chairperson Abowd called for a vote on the pending motion.

RESULT:	Approved [5 - 0]
MOVER:	Member Robert Crowell
SECOND:	Vice Chair Lori Bagwell
AYES:	Member Crowell, Vice Chair Bagwell, Members Bonkowski, Barrette, and Chair Abowd
NAYS:	None
ABSENT:	None
ABSTAIN:	None

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Mr. Russell thanked the Redevelopment Authority members.

19. PUBLIC COMMENT (10:19:01) - Chairperson Abowd entertained public comment; however, none was forthcoming.

20. ACTION TO ADJOURN (10:19:07) - Chairperson Abowd adjourned the meeting at 10:19 a.m.

The Minutes of the November 16, 2017 Carson City Redevelopment Authority meeting are so approved this 7th day of December, 2017.

KAREN ABOWD, Chair

ATTEST:

SUSAN MERRIWETHER, Clerk - Recorder