

CARSON CITY REDEVELOPMENT AUTHORITY CITIZENS COMMITTEE

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A regular meeting of the Carson City Redevelopment Authority Citizens Committee was scheduled for 5:30 p.m. on Wednesday, November 10, 2004 in the City Hall Capitol Conference Room, 201 North Carson Street, Carson City, Nevada.

PRESENT: Chairperson Robin Williamson
Vice Chairperson Sally Zola
Don Bruce
Mike Cowan
Stan Jones
Joe Lushina
Janice Shafer
Gigi Valenti
Jim Wallace

STAFF: Joe McCarthy, Economic Development / Redevelopment Manager
Angela Barosso, Economic Development / Redevelopment Officer
Kathleen King, Recording Secretary

NOTE: A tape recording of these proceedings is on file in the Clerk-Recorder's Office, and is available for review during regular business hours.

A. CALL TO ORDER, DETERMINATION OF QUORUM (1-0007) - Chairperson Williamson called the meeting to order at 5:30 p.m. Roll was called; a quorum was present.

B. APPROVAL OF MINUTES - August 11, 2004 and September 8, 2004 (1-0012) - Vice Chairperson Zola moved to approve the minutes. Member Jones seconded the motion. Motion carried 9-0.

C. PUBLIC COMMENTS ON NON-AGENDIZED ITEMS (1-0024) - At Chairperson Williamson's request, the Committee members, staff, and citizens introduced themselves for the record. (1-3535) Member Lushina advised of his resignation from the Committee after serving for two years. He commented that the experience had been very enjoyable, that he learned a tremendous amount, and expressed appreciation for the commitment of the Committee members and staff. He advised that the Chamber of Commerce would nominate a new member at the next Board meeting. Chairperson Williamson, Mr. McCarthy, and the Committee members thanked Member Lushina.

D. REDEVELOPMENT AUTHORITY CITIZENS COMMITTEE:

D-1. REPORT BY STAFF REGARDING THE REDEVELOPMENT AUTHORITY'S DIRECTION PERTAINING TO INCENTIVE FUNDING AND PARKING STUDY REQUIREMENTS (1-0045) - Mr. McCarthy provided an overview of the report to the Redevelopment Authority, at their September 16th meeting, regarding the status of unspent bond proceeds. The direction of the Redevelopment Authority was to have the Committee review the budget and the unspent bond proceeds, and determine the highest and best use for the funds. The Redevelopment Authority suggested that the Committee continue to pursue a parking study to determine the need for a downtown parking structure, but not pass up current or future incentive funding opportunities. The Redevelopment Authority further suggested allocating a portion of the unspent proceeds per fiscal year. The Redevelopment Authority requested feedback from the Committee as to expenditure of the unspent bond proceeds pending completion of the parking study.

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Mr. McCarthy advised that Vice Chairperson Zola, Member Jones, and Member Bruce were present at the Redevelopment Authority meeting. Member Jones advised of a suggestion by Supervisor Staub to develop a three-year plan. Vice Chairperson Zola suggested reviewing the incentive funding criteria and establishing a point system. Mr. McCarthy advised that he had provided the mandatory and relative incentive funding criteria to the Redevelopment Authority at the September 16th meeting. He relayed comments by Supervisor Livermore regarding incentive funding opportunities. Chairperson Williamson advised that the strongest direction from the Redevelopment Authority was to continue encouraging investment and redevelopment in the downtown area while continuing to be circumspect with the incentive funding criteria. She further advised that the Redevelopment Authority was supportive of infrastructure improvements. Member Cowan suggested prioritizing projects as well as applying time frames.

Mr. McCarthy reviewed the successes of the incentive program, and suggested scheduling a workshop to determine future criteria. He acknowledged that the unspent bond proceeds are earning interest. He distributed copies of the Redevelopment Authority Incentives Program to the Committee members and staff.

D-2. ACTION REGARDING PRESENTATION AND FUNDING REQUEST BY THE CARSON CITY ROTARY CLUB REGARDING THE “ROTARY CLOCK PROJECT” PLANNED FOR DOWNTOWN (1-0260) - Rafael Capucci, President of the Carson City Noon Rotary Club, introduced Bill Reeves, past Rotary Club District Governor, and Bruce Mackey. Mr. Capucci provided an overview of the project. Mr. Reeves expressed appreciation for the work of the Committee and narrated a PowerPoint presentation, copies of which were distributed to the Committee members and staff.

In response to a question, Mr. Reeves reviewed actual and potential funding sources. Mr. Capucci reviewed the Rotary Club district grant program criteria, and advised that other Rotary Clubs will be donating funds. He further advised that the Noon Rotary Club will hold a fund raiser, the proceeds to be allocated to the clock project. In response to a question, he advised that February 23, 2005 is the tentative date for installation of the clock. Proclamations have been requested from the State Senate and Assembly and from the Mayor. An unidentified Rotary Club representative reviewed the project time table, and advised that the names of contributors will be inscribed on the clock's granite base. Mr. Capucci responded to questions regarding the project time table, and details of the clock design. Joe Walls, a Noon Rotary Club member, provided background information on the company selected to manufacture the clock and the manufacturing specifications. In response to a question, he advised that Legislature Buildings and Grounds Division personnel will maintain the clock. Mr. Reeves and Mr. Capucci responded to questions regarding Rotary Club fund raisers.

Member Valenti suggested considering a maximum of 20% of the project costs similar to the criteria used for capital projects, and discussion took place with regard to the same. Member Cowan commended the Rotary Club on their various community projects. In response to a question, Mr. Capucci advised that any funding received over and above the \$30,000 project cost will be allocated to the various charitable projects sponsored by the Rotary Club. In response to a further question, Mr. Reeves advised that the \$30,000 figure includes installation costs. **Member Valenti moved to fund 20% of the \$30,000 project cost, or \$6,000. Member Cowan seconded the motion.** Mr. Reeves advised that the inscriptions must be approved by the Legislative Counsel Bureau. Chairperson Williamson called for a vote on the pending motion; **motion carried 9-0.**

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D-3. ACTION REGARDING REDEVELOPMENT INCENTIVE FUNDING REQUEST BY STEW'S CORPORATION FOR THE LUCKY SPUR PROJECT (1-0652) - Mr. McCarthy provided background information on this item. (1-0703) Scott Johnson provided background information on the Stew's Corporation partners and historic information on the Lucky Spur building. He provided detailed information on the renovation project, and anticipates that the business will open by mid-December. He reviewed details of the business plan, which was distributed to the Committee members and staff.

Chairperson Williamson thanked Mr. Johnson and Michael Stewart for undertaking this project. She assured the gentlemen that their experience in renovating a downtown historic building was not unique. In response to a question, Mr. Stewart advised that the sign will be lit once power is restored to the building. Mr. Johnson described details of the sign. Member Cowan recognized the importance of infrastructure improvements to the subject and future redevelopment projects. He **moved to support the project to the 20% maximum incentive grant funding.** Mr. Johnson discussed the appraised value of the building, and anticipated jobs to be generated by the business. Chairperson Williamson called for a second on the motion; **Member Bruce seconded the motion.**

Vice Chairperson Zola thanked Mr. Stewart and Mr. Johnson for undertaking the project, and discussed the unfortunate history of the Lucky Spur. She expressed appreciation for the willingness of the Stew's Corporation partners to renovate rather than demolish the building. She inquired as to the current ownership of the building and who will be responsible for the lien attached to the building as part of the incentive grant funding program requirements. Mr. Johnson discussed the option for the Redevelopment Authority to attach a soft lien to real property owned by the business partners. In addition, he advised that the partners are working to secure permanent financing on the building in order to have the title transferred. Mr. Stewart explained that George Halyak, the owner of the building, arranged to allow the partners to lease the building during the renovation process. Mr. Johnson discussed the anticipated value of the building once the renovation is complete. Mr. McCarthy pointed out that the gaming license adds an asset to the property. Mr. Stewart advised that Stew's Corporation is also pursuing private financing.

Extensive discussion took place regarding the various options. Mr. McCarthy advised that the Commission on Economic Development awarded seed money for a revolving loan program for low to moderate income start-up businesses in the downtown. He is working with the partners of Stew's Corporation to secure low-cost financing to assist in purchasing the brewing equipment. In response to a question, Mr. Stewart discussed the sewer line replacement required by the City. He advised that City representatives have, for the most part, been very cooperative and helpful. Additional discussion took place regarding property ownership in conjunction with the incentive program lien. Mr. Stewart responded to questions regarding plumbing costs outlined in the business plan.

Member Wallace expressed concern that definitive questions regarding the project had not yet been asked. He inquired as to parking for the employees, the anticipated increase in pedestrian traffic, whether or not the application is actually complete, the actual project, and escrow details. In response to a question, Mr. Johnson advised that 15-20 employees per shift, over four shifts in a 24-hour period, are anticipated. Within a 1½ block radius of the Lucky Spur, there are 267 parking spaces, almost 90% of which are empty after 4:00 p.m. Downtown area parking spaces are 90% full before 3:30 p.m. Mr. Johnson advised that the public parking lot located directly behind the Lucky Spur has 128 parking spaces. The Proctor Street parking lot has approximately 40 spaces. Curry Street, from one block north to one block south directly behind the Lucky Spur, has approximately 42 parking spaces. Mr. Johnson anticipates that parking will not be a problem. Mr. Stewart advised that the business partners reviewed parking availability before embarking on the renovation project. In response to a further question, Mr. Johnson advised that pedestrian

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traffic is increased by “like-minded businesses” in a certain location. He explained that the business partners are anticipating future redevelopment improvements such as expansion of sidewalk widths, the freeway bypass eliminating semi trucks on Carson Street, etc. He advised that approximately 4,000 employees work within a four-block radius of the Lucky Spur during weekday business hours, and that the pedestrian traffic estimates include anticipated patronage of Stew’s Sportatorium by these employees. He discussed the increase in planned downtown events, and the increase in restaurants in the area which will draw pedestrian traffic. In response to a further question, Mr. Stewart advised that the resumé of Joe Renden, the brewer, was inadvertently omitted from the Business Plan. Mr. Johnson provided background information on Mr. Renden’s experience as a brewer. In response to a question, Mr. McCarthy considered that the application submitted was complete.

At Member Wallace’s request, the recording secretary read back the original motion. **Member Cowan amended his motion to indicate support contingent upon close of escrow, taking title to the property, and opening the business. Member Bruce continued his second. Motion carried 9-0.** Mr. Stewart and Mr. Johnson thanked the Committee.

D-4. ACTION REGARDING REDEVELOPMENT INCENTIVE FUNDING REQUEST BY THE NEVADA STATE MUSEUM FOR FAÇADE IMPROVEMENT UPGRADES RELATING TO THE CURRENT RENOVATION (1-1627) - Mr. McCarthy introduced Nevada State Museum Facilities Manager Mark Falconer, who introduced Museum Exhibit Manager Ray Geiser and Museum Director Jim Barmore. Mr. Falconer provided background information on recent changes in Museum management staff, and a recently developed five-year plan. He circulated books on upcoming exhibits to be displayed at the Museum. He reviewed needed and completed renovations since receiving a nearly \$2 million capital improvement projects allocation from the 2003 Legislature. He reviewed the funding request to purchase directional signage, windows, and to restore the original wood flooring. He discussed relocation of several displays, and invited the Committee members to tour the “Under One Sky” exhibit and the new Earth Science Gallery. He described the perpetual population counter installed in conjunction with the Western Nevada Community College.

Mr. Falconer described the project which will create an ADA entrance and a connecting structure between the main Museum building and the annex. Mr. Barmore displayed drawings of the project, and Mr. Falconer advised that the project has been ranked 28th by the State Public Works Board. Mr. Barmore acknowledged that funding requests will be presented to the 2005 Legislature. Mr. Falconer advised that the connecting structure is the first priority of the Department of Cultural Affairs to be presented to the 2005 Legislature.

Member Jones acknowledged that the Museum contributes much to downtown Carson City, but expressed “a dim view” of allocating redevelopment funding toward a State building. He suggested funding the signage rather than a portion of the construction project. In response to a question, Mr. Barmore clarified that signage was not included in the incentive funding application because of previous redevelopment incentive funding allocated toward Museum signage. In response to a further question, Mr. Falconer advised that the signage estimate is \$25,662. He explained that the \$35,000 figure included in the incentive funding application represented costs associated with installation of windows and rain gutters. He reviewed hidden costs associated with the renovation project, including discovery and subsequent abatement of dry rot and lead paint.

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In response to a question, Mr. Falconer reviewed the Department of Cultural Affairs process for presenting capital improvement project requests to the Legislature. He acknowledged that abatement of the dry rot and lead paint went beyond the original funding allocation. In response to a question, he explained that the costs were covered by contingency funding "but we're almost right up to that point." Plans to purchase the signage with contingency funding are, therefore, not possible. In response to a question, Mr. Falconer described the location of the original windows. He discussed the importance of restoring the building to its original state. He acknowledged the existence of a contingency fund at the beginning of the renovation, but advised that there were more problems than anticipated.

In response to a question, Chairperson Williamson provided background information on the Committee's relationship with the State. She discussed redevelopment incentive funding provided for creation of the park, the annex façade, and installation of signage. Mr. Falconer discussed the Museum's sponsorship of the Carson City Coin Show, and participation in the annual Ghost Walk, Wild West Tour, and Taste of Downtown events. At Mr. McCarthy's request, Mr. Falconer provided background information on the Museum's 2001 request for incentive funding to purchase and install signage.

Member Lushina discussed the significance of the Carson City Mint to American history. He commented that the Museum represents a collateral benefit to the City's hotels, restaurants, and to downtown redevelopment. He pointed out that the Committee's mission is to assist in promoting downtown culture and activities. He agreed with earlier comments that the Museum is a cultural agency unlike any other State agency. In response to a previous question, Mr. McCarthy advised that the Redevelopment Authority has collaborated with State government throughout the history of the redevelopment program. He provided examples, such as the beautification project to install medallions in the Main Street sidewalks. Member Lushina expressed the opinion that the community receives back 10-fold from the Museum on any investment. Member Wallace agreed, and advised that the Nevada Revised Statutes specifically provide that public buildings are an appropriate recipient of redevelopment incentive funding. He acknowledged that State government does not contribute to the City's tax base, but expressed the opinion that the return on the investment far outweighs that concern. Mr. McCarthy agreed that collaboration is clearly depicted in NRS 279, and commented on the opportunity represented. Vice Chairperson Zola advised that the request meets all the relative criteria of the incentive program.

Mr. Barmore pointed out another distinction provided in the statutes that the Museum is allowed to raise funding and keep it at the Museum. The Museum conducts fund raisers, and has sponsors such as the Coin Show. Mr. Barmore advised that approximately one-quarter or more of the Museum's operating budget is raised through gifts, donations, sponsorships, memberships, etc. In response to a question, Mr. Barmore reviewed costs associated with hosting the Animals in Art exhibit.

Member Shafer inquired as to whether the Mint monument could be more properly done if it is included with the connecting structure project. Mr. Falconer reviewed the time table associated with the monument project. In response to a question, he requested that the funding be allocated to State Public Works through which the funding will be granted for the specific Museum projects. Mr. Barmore acknowledged that the signage would be installed in February or March, in time for the 2005 Museum exhibits. In response to a question, Mr. Falconer reviewed the cost breakdown for the signage, windows, and gutters. **Member Jones moved to approve a \$35,000 allocation for signage, windows, and gutters. Vice Chairperson Zola seconded the motion.** Discussion took place regarding the verbiage of the motion. Mr. Falconer invited the Committee members and staff to visit the Museum. He expressed appreciation for the support of the Redevelopment Authority. Chairperson Williamson called for a vote on the pending motion; **motion carried 8-1.**

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D-5. ACTION REGARDING REPORT BY THE CHRISTMAS ORNAMENT WORKGROUP (1-2734) - Chairperson Williamson circulated the 2004 ornament, and advised that the ornaments have been distributed to various shops in the downtown area. She requested the Committee members' input regarding a request by St. Peter's Episcopal Church to purchase a number of ornaments for resale as a fund raiser. Vice Chairperson Zola advised that the proposal was presented at the time St. Peter's was selected for the 2004 ornament. She further advised that St. Peter's has requested 100 ornaments. She pointed out that many of the buildings designated for ornaments over the next several years are privately owned, and suggested that the owners will most likely want the opportunity to sell a number of ornaments. Member Jones advised that a similar request was made by Lyons Club and Boy Scouts representatives. Discussion ensued, and Member Shafer suggested that each interested party or organization should be required to purchase and sell the ornaments at the same prices as the retailers.

In response to a question, Chairperson Williamson provided background information on the origins of the ornament project. **Vice Chairperson Zola moved that the property owner of the building selected for the Christmas ornament is entitled to purchase 100 ornaments at the same price sold to retailers and sell the ornaments at the same price as the retailers. Member Lushina seconded the motion. Motion carried 9-0.** Chairperson Williamson and Member Jones reviewed the shops to which ornaments have been distributed thus far.

D-6. REPORT BY STAFF ON PARKING CONSULTANT SERVICES (1-3148) - Mr. McCarthy reviewed the staff report pertinent to this item. He responded to questions regarding cost estimates for the project. In response to a further question, he advised that the results of the last parking study were satisfactory. He discussed City staff's involvement in the project.

D-7. STAFF UPDATE ON REDEVELOPMENT PROJECTS, INFRASTRUCTURE AND IMPROVEMENT COSTS AND MASTER PLANNING (1-3333) - Chairperson Williamson advised that extra light posts were purchased with an insurance payment which resulted from an accident. Mr. McCarthy advised that the cost of each light fixture is \$1,800 to \$2,000 if purchased in bulk, and installation costs bring the total to \$8,000 to \$10,000. Chairperson Williamson advised that, depending upon unforeseen drainage problems, the cost to install concrete, lights, and fencing on one City block would be approximately \$90,000.

Mr. McCarthy advised that the owners of the Sweetland Building are continuing to discuss with restauranteurs the possibility of a bistro to be located in the former Garibaldi's space. He reported that Mark and Jenny Lopiccio are the new owners of the St. Charles Hotel. Chairperson Williamson advised that the Christmas tree lighting event is scheduled for 5:30 p.m. on Thursday, December 2nd. She reviewed details of the event.

Mr. McCarthy reported that he is working with Engineering Division staff to replace downtown street light bulbs with higher wattage bulbs. He advised that Mayor-elect Teixeira is very interested in a soft lighting project for the downtown area.

Vice Chairperson Zola commented that much of the scaffolding has been removed from the Ormsby House. Mr. McCarthy advised that Mel Green has been commissioned to conduct a structural analysis of Jack's Bar. City staff and Mr. Green will meet with Ormsby House representatives to review the structural analysis. Mr. McCarthy advised that Mr. Green's estimate to stabilize the building is very reasonable.

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Mr. McCarthy acknowledged that a workshop will be agendized for the December Committee meeting. (2-0015) Mr. McCarthy advised that the comprehensive master plan update is requiring a lot of staff time. He reviewed feedback received from the public workshops held during the week of October 18th.

E. ADJOURNMENT (2-0026) - Vice Chairperson Zola moved to adjourn the meeting at 8:08 p.m. Member Valenti seconded the motion. Motion carried 9-0.

The Minutes of the November 10, 2004 meeting of the Carson City Redevelopment Authority Citizens Committee are so approved this 28th day of March, 2005.

ROBIN L. WILLIAMSON, Chair