

Item # 9A

**City of Carson City
Agenda Report**

Date Submitted: July 10, 2007

Agenda Date Requested: July 19, 2007

Time Requested: 30 minutes

To: Redevelopment Authority

From: Joe McCarthy, Office of Business Development

Subject Title: Discussion and action to approve a targeted incentive funding policy that will effectively allocate available economic development incentive funds to upcoming projects located within the existing redevelopment project areas.

Staff Summary: The purpose of redevelopment incentives is to spur, attract and maintain high quality growth and promote investment in Redevelopment Project Area No. 2. The Redevelopment Authority's goals and expectations include a comprehensive approach of investing in specific redevelopment projects that have the ability to launch revitalization in areas of the community that such investment otherwise would not occur. A flexible incentive program features a public/private partnership model with techniques that overcome impediments to development and enhance cash flows. The Redevelopment Authority validates each project's public purpose before considering public participation. At this meeting, the Redevelopment Authority will enter into a broad-based discussion and give direction regarding the allocation of available and future incentive funding that relate to imminent redevelopment projects. Proper allocation will take into account the rewards and risks, benefits and costs, and financial and legal hazards as the Redevelopment Authority defines and considers the steps to take to create a flexible set of rules to follow in structuring how we implement our ongoing redevelopment incentive program.

Type of Action Requested: (check one)

☐ Resolution

☐ Ordinance

☒ Formal Action/Motion

☐ Other (Specify) - None

Does This Action Require a Business Impact Statement: ☐ Yes ☒ No

Recommended Board Action: I move to approve a targeted incentive funding policy as discussed that will effectively allocate available economic development incentive funds to upcoming projects located within the existing redevelopment project areas.

Explanation for Recommended Board Action: The Redevelopment Authority has successfully created a commercial redevelopment district to breathe new life into its business districts. Immediately upon developing its redevelopment goals and objectives to solidify the City's fiscal base, the Redevelopment Authority last year successfully executed a commitment

agreement with Dick Campagni Auto Group to retain his substantial set of new car dealerships. Now the Redevelopment Authority Auto workgroup is diligently pursuing a comprehensive agreement with Michael Hohl to retain and grow his numerous, highly successful new car dealer dealerships.

Moreover, the Authority has been recently successful at facilitating the sale and reuse of the vacant Supply One building into the Casino Fandango, the Galaxy Theatres and the Marriott Courtyard. Now, the Redevelopment Authority can optimistically point to the recent sales of the deteriorating, vacant Kmart and Walmart buildings to bona fide, quality retail developers.

The next immediate challenge, as these new opportunities specific to retail sales productivity quickly approach, is the imperative that the Redevelopment Authority formulates a targeted incentive strategy. This targeted incentive strategy will facilitate the re-tenanting of these second-generation buildings and broaden our retail sales base. The strategy must also ensure that Michael Hohl Motors receives the necessary incentive to facilitate the building of new Honda, Subaru and Chevrolets stores within the boundaries of Carson City.

Applicable Statue, Code, Policy, Rule or Regulation: NRS 279

Fiscal Impact: n/a

Explanation of Impact: n/a

Funding Source: Economic Development budgeted funds and Redevelopment Authority incentive funding

Alternatives: n/a

Supporting Material:

Prepared By: Joe McCarthy

Reviewed By:

(Department Head)

(City Manager)

(District Attorney)

(Finance Director)

Date: 7-10-07

Date: 7-10-07

Date: 7-10-07

Date: 7/10/07