

**City of Carson City
Agenda Report**

Date Submitted: November 10, 2008

Agenda Date Requested: Nov 20, 2008

To: RDA/BOS

Time Requested: 5 minutes

From: RDA / BOS

Subject Title: Action to approve Joint Funding of Ice Rink Agreement.

Staff Summary: The Carson Nugget, the City, the RDA and the Downtown Consortium are proposing to collaborate on the development of a first-time holiday season ice skating venue in Downtown Carson City. The Carson Nugget's parking lot on Carson and Robinson Streets will be transformed into an ice skating venue this December thanks to a partnership between the Carson Nugget, the City, the Redevelopment Authority, the Downtown Consortium and Ice Rinks Events/Frozen Water L.P. The goal is to bring an exciting holiday experience to Downtown that becomes a tradition of fun and festivity, in keeping with the successful Curry Street Promenade and the direction laid out in the *Taste of the High Sierra* Branding action plan.

Type of Action Requested: (check one)
☐ Resolution ☐ Ordinance
☒ Formal Action/Motion ☐ Other (Specify) - None

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

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

Recommended Board Action: I move to adopt the Joint Funding of Ice Rink Agreement.

Explanation for Recommended Board Action: The project has the potential to be a self-liquidating amenity that may pay for itself with ticket sales and sponsorships. This holiday season ice skating venue will bring energy, excitement and life to vacant parking lot with a one-of-a-kind traffic draw in the form of a totally portable urban park that is experiential for locals and visitors alike. Beside the modest admission price, the revenues to sustain this venture will come from sponsorships elegantly displayed on the dasher boards, cross promotions with businesses throughout the town and concessions at the venue. The venue may promote exhibitions, ice shows, ice hockey demonstrations, charity events and much more. The Office of Business Development will manage the contract with the City, Ice Rink Events. The Carson City Nugget and the Downtown Consortium will serve as co-sponsor/promoters. The Office of Business Development provides oversight, managerial and promotional support.

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

Fiscal Impact: The RDA, the City, and Carson Nugget may be reimbursed a portion of all of its costs for each share of rink procurement, as well as each of the up front and ongoing line item costs associated with advance site preparation and ongoing operations (see attached budget), predicated on the success of the skating rink venue in this first season. Staff will allocate an additional \$15,000 from its budget to cover programming support, signage and banners, advertising, publicity and third-party events coordination. The CCCVB will also play a pivotal role in marketing the venue. The parties to the agreement are hopeful that the rink will be so popular that the Downtown Consortium can receive a portion of the revenues. However, it is agreed that the Downtown Consortium will not receive any of the revenue until the Nugget, the City and the RDA have recouped all costs and expenses.

Explanation of Impact: It is hoped that revenues should equal all expenses, plus in-kind support from both the public and private sector. The revenues will come from income generated by the project, a reasonable admission charge, skate rentals and numerous sponsorships. The budget is \$287,210.79 (including a contingency of 15%), thus the RDA, the City, and the Carson Nugget's seed money may be paid back in full after the close of the project. The additional \$15,000 expenses are consistent with the type of costs incurred annually by redevelopment through its events coordination budget.

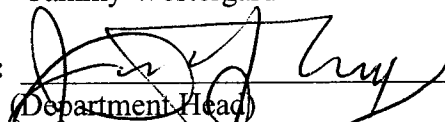
Funding Source: Redevelopment budget

Alternatives: Choose not to approve the funding allocation

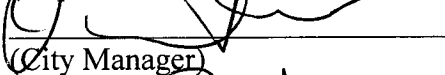
Supporting Material: Arlington Square Ice Rink Packet, budget, contract and additional materials

Prepared By: Tammy Westergard

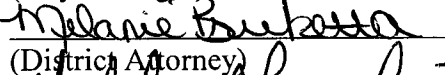
Reviewed By:


(Department Head)

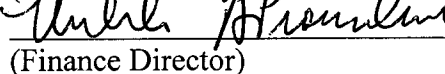
Date: 11-12-08


(City Manager)

Date: 11-12-08


(District Attorney)

Date: 11-12-08


(Finance Director)

Date: 11/12/08

JOINT FUNDING OF ICE RINK AGREEMENT

This Agreement (the "Agreement"), is made and effective as of this _____ day of _____, 200__, by and between the Carson City Redevelopment Authority, an agency for redevelopment organized pursuant to Chapter 279 of NRS, (hereinafter referred to as "RDA"), the City of Carson City, Nevada, a consolidated municipality and political subdivision of the State of Nevada (hereinafter referred to as "City"), Carson City Nugget, Inc., Carson Nugget, Inc. with offices located at 507 N. Carson Street, Carson City, NV 89701 (hereinafter collectively referred to as "Carson Nugget") and Carson City Downtown Consortium, collectively referred to as the "Parties."

RECITALS

WHEREAS, the Carson Nugget is the owner of certain real property described as APN 3-223-56 ("hereinafter referred to as "Parcel"); and

WHEREAS, the Parcel is located within the area known as Redevelopment Project Area #1, an area designated as a redevelopment area pursuant to Chapter 279 of NRS; and

WHEREAS, the City proposes to lease, maintain and operate a seasonal ice rink (hereinafter referred to as "Improvement") that will be open to the public from December 4, 2008 through February 16, 2009; and

WHEREAS, pursuant to NRS 279.486, the RDA has the authority, with the consent of the Carson City Board of Supervisors, to pay all or part of the cost of the construction or installation which is publicly or privately owned and located within or without the redevelopment area; and

WHEREAS, the Improvement is likely to create jobs or other business opportunities for nearby residents, increase local revenues from desirable sources and increase levels of human activity in Redevelopment Project Area #1; and

WHEREAS, the City will be a sponsor of the activities conducted at the Improvement as such activities will provide recreational and entertainment opportunities for the citizens of Carson City;

NOW, THEREFORE, in consideration of the mutual promises, agreements, and covenants contained herein, the RDA, the City, the Carson City Downtown Consortium and the Carson Nugget agree as follows:

1. The Carson Nugget agrees to pay to the Carson City Downtown Consortium, a Nevada non-profit corporation, on or before November 20, 2008, the sum of SEVENTY THOUSAND DOLLARS (\$70,000) for the purpose of paying for a portion of the cost of the installation, maintenance and removal of the Improvement pursuant to the Agreement by and between the RDA and Frozen Water, L.P., d/b/a Ice Rink Events.

2. The Carson Nugget agrees to enter into a Lease Agreement to lease the Parcel to the RDA for the period of November 20, 2008 to February 23, 2009 for the purpose of installing, maintaining and operating the Improvement. The Carson Nugget agrees that during the term of the lease, the RDA shall have exclusive use of the Parcel for the purpose of installing, maintaining and operating the Improvement.

3. The RDA agrees to pay the Carson Nugget the sum of \$.10 (ten cents) per day pursuant to the Lease Agreement for the lease of the Parcel for a sum total of \$9.60 for the lease of the Parcel.

4. The RDA agrees to be responsible for the operation and maintenance of the

Improvement from December 4, 2008 through February 16, 2009.

5. The RDA agrees that the Improvement will be operated in a manner such that the Improvement will be open every day between December 4, 2008 through February 16, 2009, weather permitting.

6. The City and the RDA agree to provide liability insurance coverage for the Carson Nugget, the RDA and the City covering liability that would be incurred by any of the Parties related to the activities conducted at the Improvement.

7. To the extent permitted by law, including, but not limited to, the provisions of NRS Chapter 41, the City and the RDA shall indemnify, hold harmless and defend, not excluding Carson Nugget's right to participate, Carson Nugget from and against all liability, claims, actions, damages, losses, and expenses, including but not limited to reasonable attorney's fees and costs, arising out of any alleged negligent or willful acts or omissions of the City and the RDA, their officers, employees and agents. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of the indemnity which would otherwise exist as to any party or person described in this paragraph.

8. The Parties agree that all revenue generated by the activities conducted at the Improvement shall be divided as follows:

a. The Carson Nugget shall be entitled to reimbursement of up to SEVENTY THOUSAND DOLLARS (\$70,000) paid by the Carson Nugget, or on behalf of the Carson Nugget by the Carson City Downtown Consortium, provided that any such reimbursement shall not exceed the amount of actual revenue generated by the activities conducted at the Improvement. In addition, the Carson Nugget shall be entitled to receive any off-set or

reimbursement provided by Nevada Energy for the installation of the transformer, switch gear equipment, site prep and all associated costs for such installation. Should Nevada Energy not provide an off-set or rebate, or should the off-set or rebate not cover the costs for installation of the transformer, switch gear equipment, site prep and all associated costs related thereto, the Carson Nugget is entitled to receive such reimbursement from the actual revenue generated by the activities, if any, conducted at the Improvement. The reimbursement shall not exceed the actual costs incurred and shall not exceed the amount of revenue generated.

b. If revenue from the activities conducted at the Improvement exceeds the amount required to reimburse the Carson Nugget pursuant to subparagraph (a), the City and the RDA shall be entitled to reimbursement for the actual expenses incurred by the City or the RDA in the installation, maintenance, operation or removal of the Improvement or related to the provision of insurance and indemnification pursuant to this Agreement, provided that any such reimbursement shall not exceed the amount of actual revenue generated by the activities conducted at the Improvement.

c. If revenue from the activities conducted at the Improvement exceeds the amount required to reimburse the Carson Nugget pursuant to subparagraph (a) and the City and the RDA pursuant to subparagraph (b), any excess revenue shall be donated to the Downtown Consortium, provided that any such donation shall not exceed the amount of actual revenue generated by the activities conducted at the Improvement.

9. This Agreement once accepted shall be binding on the successors and assigns to the Carson Nugget, and in the event the Carson Nugget divests any portion of its interest in the Parcel, this Agreement shall continue to be binding on any of Carson

Nugget's successors and assigns.

10. This Agreement constitutes the entire agreement and understanding between the Parties and supersedes any and all other agreements, communications, understandings, promises, stipulations, arrangements, whether any of the same are either oral or in writing, or express or implied, between the Parties hereto with respect to the subject matter hereof. No change to or modification of this Agreement shall be valid or binding unless the same shall be in writing and signed by a duly authorized representative of City, a duly authorized representative of the RDA and a duly authorized representative of the Carson Nugget.

11. A waiver of any provision of this Agreement shall not be valid unless such waiver is in writing and signed by the party or person to be charged, and no waiver of any provision hereof shall be deemed or construed as a waiver of the same or any different provision in the future. Furthermore, the failure of a party to insist upon strict adherence to any term of this Agreement, or to object to any failure to comply with any provision of this Agreement, shall not be a waiver of that term or provision by laches. The receipt of a party of any benefit from this Agreement shall not effect a waiver or estoppel of the right of that party to enforce any provision of this Agreement.

12. If any provision of this Agreement is found, by a court of competent jurisdiction, to be invalid or unenforceable, such provision shall (i) be modified to the minimum extent necessary to render it valid and enforceable or (ii) if it cannot be so modified, be deemed not to be part of this Agreement and shall not affect the validity or enforceability of the remaining provisions of this Agreement.

13. Subject to the provisions hereof, this Agreement shall be binding upon and shall

inure to the benefit of the Parties hereto and their respective heirs, executors, legal representatives, administrators, successors and assigns, and wherever a reference in this Agreement is made to either of the Parties hereto such reference shall be deemed to include, wherever applicable, also a reference to the heirs, executors, legal representatives, administrators, successors and assigns of such party, as if in every case so expressed.

14. This Agreement may be executed in counterparts with the understanding that so long as each of the Parties signs one or more such counterparts, this Agreement shall have the same force and effect as though all signatures appeared on one document. The Parties expressly agree that a facsimile signature shall be deemed to have the same validity, force, and effect as an original signature.

15. This Agreement shall be governed and construed under the laws of the State of Nevada.

In witness whereof the Parties have caused this Agreement to be effective as of the day and year of the signature of the Mayor of Carson City indicated below.

CARSON CITY DOWNTOWN CONSORTIUM

NAME, TITLE

Dated this __ day of _____, 200__.

CARSON CITY NUGGET, INC.

CARSON NUGGET, INC.



NAME, TITLE

11/12/08

NAME, TITLE

Dated this _____ day of _____, 200____.

ATTEST:

CARSON CITY, a Consolidated
Municipality of the State of Nevada

CARSON CITY
REDEVELOPMENT AUTHORITY

Marv Teixeira, Mayor

By: Robin Williamson, Chairperson

Alan Glover, Clerk Recorder

APPROVED AS TO FORM:

District Attorney

Dated this _____ day of _____, 200____.