

Item # 17

**Carson City Redevelopment Authority
Request for Board Action**

Date Submitted: 3/24/2009

Agenda Date Requested: 4/2/2009

Time Requested: 5 minutes

To: Redevelopment Authority

From: Nick Providenti, Finance Director

Subject Title: Action to adopt a resolution authorizing issuance of a redevelopment note to Carson City in the principal amount of \$4,800,000 and providing other matters properly related thereto

Staff Summary: The Carson City Redevelopment Authority is authorized pursuant to NRS 279.610 and 279.620, with the consent of the Board of Supervisors of Carson City, Nevada, to pay from moneys appropriated by the Board of Supervisors for deposit to the Redevelopment Administrative Fund established pursuant to NRS 279.614, expenditures of the authority in accordance with NRS 279.610 and 279.614 and to the Revolving Fund established pursuant to NRS 279.620, expenditures of the Authority in accordance with NRS 279.628 (collectively, the "Project"); and NRS 279.610 and 279.620, in effect, provide that the City may appropriate money to the Authority for the Project as a loan to be repaid upon such terms and conditions as the Board of supervisors may provide, and the Authority may enter into a contract with the City under which it agrees to reimburse the City for the cost of the Project pursuant to such terms and conditions.

Type of Action Requested: (check one)

☒ Resolution

☐ Ordinance

☐ Formal Action/Motion

☐ Other (Specify)

Does this action require a Business Impact Statement: () Yes (xx) No

Recommended Board Action: I move to adopt Resolution No. _____, a resolution authorizing issuance of a redevelopment note to Carson City in the principal amount of \$4,800,000 and providing other matters properly related thereto

Explanation of Recommended Board Action: The Redevelopment Authority requests the City to appropriate \$4,800,000 pursuant to NRS 279.610 and 279.620 for the purpose of defraying the costs of the Project. The Redevelopment Authority shall issue the Note to the City to repay the principal amount of \$4,800,000 plus interest accruing at the rate and upon such other terms and conditions as set forth in the form of the Note.

Applicable Statute, Code, Policy, Rule or Regulation: Nevada Revised Statutes 279.610, 279.620, 279.614, and 279.628

Fiscal Impact: Principal and interest payments of approximately \$591,797 year for 10 years.

Explanation of Impact: Annual payments from Redevelopment Tax Increment Property Taxes in the amount of \$591,797 for 10 years.

Funding Source: Redevelopment Tax Increment Fund

Alternatives: Do not to issue Note.

Supporting Material: Resolution and Debt Service Schedule

Prepared By: Nick Providenti

Reviewed By:

(Department Head) _____
: _____
(City Manager)
: Melanie Bunketta
(District Attorney)
: Nick Providenti
(Finance Director)

Date: _____

Date: 3/24/09

Date: 3-24-09

Date: 3-24-09

Board Action Taken:

Motion: _____

1) _____

2) _____

Aye/Nay

(Vote Recorded By)

**Carson City, Nevada Redevelopment Authority
2009 RDA Note
Debt Service Schedule**

Date	Principal	Rate	Interest	Total
05/01/2009		4.000%		
05/01/2010	399,796.53		192,000.00	591,796.53
05/01/2011	415,788.39		176,008.14	591,796.53
05/01/2012	432,419.93		159,376.60	591,796.53
05/01/2013	449,716.73		142,079.81	591,796.54
05/01/2014	467,705.40		124,091.14	591,796.54
05/01/2015	486,413.61		105,382.92	591,796.53
05/01/2016	505,870.16		85,926.38	591,796.54
05/01/2017	526,104.96		65,691.57	591,796.53
05/01/2018	547,149.16		44,647.37	591,796.53
05/01/2019	569,035.13		22,761.41	591,796.54
	4,800,000.00		1,117,965.33	5,917,965.33

Redevelopment Authority

RESOLUTION NO.

**A RESOLUTION AUTHORIZING ISSUANCE OF A
REDEVELOPMENT NOTE TO CARSON CITY IN THE
PRINCIPAL AMOUNT OF \$4,800,000 AND PROVIDING
OTHER MATTERS PROPERLY RELATED THERETO.**

WHEREAS, the Carson City Redevelopment Authority (the "Authority") is authorized pursuant to Nevada Revised Statutes ("NRS") 279.610 and 279.620, with the consent of the Board of Supervisors (the "Council") of Carson City (the "City"), Nevada, to pay from moneys appropriated by the Board of Supervisors for deposit to the Redevelopment Administrative Fund established pursuant to NRS 279.614, expenditures of the Authority in accordance with NRS 279.610 and 279.614 and to the Revolving Fund established pursuant to NRS 279.620, expenditures of the Authority in accordance with NRS 279.628 (collectively, the "Project"); and

WHEREAS, NRS 279.610 and 279.620, in effect, provide that the City may appropriate money to the Authority for the Project as a loan to be repaid upon such terms and conditions as the Board of Supervisors may provide, and the Authority may enter into a contract with the City under which it agrees to reimburse the City for the cost of the Project pursuant to such terms and conditions; and

WHEREAS, the Project is in conformity of the Redevelopment Plan; and

WHEREAS, the Authority desires to enter into a contract in the total principal amount of \$4,800,000 (the "Note"); and

WHEREAS, the Authority desires to enter into such a contract with the City to be evidenced by the Note in the form attached as Exhibit I hereto, to be paid from the sources, at the times, and in the manner provided therein.

**NOW THEREFORE BE IT RESOLVED BY THE CARSON CITY
REDEVELOPMENT AUTHORITY:**

Section 1. For the purpose of financing the Project, the Authority is hereby authorized to borrow from the City the principal amount of \$4,800,000.

Section 2. The Authority hereby requests the City to appropriate \$4,800,000 pursuant to NRS 279.610 and 279.620 for the purpose of defraying the costs of the Project.

Section 3. The Authority shall issue the Note to the City to repay the principal amount of \$4,800,000 plus interest accruing thereon at the rate and upon such other terms and conditions as set forth in the form of the Note attached hereto as Exhibit I.

Section 4. The officers of the Authority designated therein are hereby authorized to execute the Note and deliver the Note to the City in exchange for the principal amount of \$4,800,000, which shall be deposited to the Authority's Administrative Fund and Revolving Fund, as determined by the City Finance Director.

Section 5. The Note shall be paid from the sources described therein, at the times and in the manner and otherwise strictly in conformance with the terms of the Note. The obligation of the Authority to repay the Note shall be subordinate in all cases to the Authority's obligation to repay from any legally available revenues of the Authority any bonds or other securities heretofore or hereafter issued by the Authority.

Section 6. The Authority and the officers thereof are authorized and directed to take all action to necessary to effectuate the provisions of this resolution, including without limitation, delivery and execution of the Note and delivery to the City of such certificates and instruments as it may reasonably require in connection with the issuance of the Note and the appropriation of, the principal amount thereof as set forth herein.

Section 7. This resolution shall be effective on its passage and approval.

PASSED AND ADOPTED this April 2, 2009, by the following vote of the Authority:

(SEAL)

Secretary

Chairman

Exhibit I
(Form of Note)

TRANSFER OF THIS NOTE OTHER THAN BY REGISTRATION IS NOT EFFECTIVE

**CARSON CITY REDEVELOPMENT AUTHORITY, NEVADA
REDEVELOPMENT NOTE, SERIES 2009**

No. R-1

Interest Rate: 4.00% per annum

Dated: May 1, 2009

Maturity Date: May 1, 2019

**PRINCIPAL AMOUNT: FOUR MILLION EIGHT HUNDRED THOUSAND DOLLARS
(\$4,800,000.00)**

For value received, the Carson City Redevelopment Authority (the "Authority") promises to pay to Carson City, Nevada (the "City"), or its registered assigns (the City or its registered assigns is referred to herein as the "Registered Owner"), the principal amount shown above, plus interest at the rate of four (4) percent per annum, calculated on the basis of a 360-day year of twelve 30-day months, accruing from the date of the Note until the Note is paid in full. Substantially equal annual principal and interest payments are due on May 1 of each year, commencing May 1, 2010 to and including May 1, 2019.

The payment of principal and interest due hereon shall be paid to the Registered Owner of this Note at the office of the Treasurer of the Authority (the "Registrar"), and the final payment on the Note shall be paid on presentation and surrender of this Note at maturity, upon prior redemption, or on such other date as demand for payment of such outstanding principal may be made by the City upon the mutual consent of the Authority and the City.

The principal of this Note may be prepaid in whole or in part at any time at the option of the Authority without premium or penalty on 5 days written notice to the Registered Owner hereof. The amount of principal so prepaid shall be noted on the Payment Panel appended to this Note and the registration records maintained by the Registrar.

The principal of this Note is payable only to the Registered Owner hereof at the address appearing on the registration records of the Authority maintained by the Registrar. This Note may be transferred on presentation to the Registrar, together with evidence of transfer satisfactory to the Registrar and such transfer shall be noted in the registration records of the Authority and similarly noted on the Registration Panel appended hereto. The Registrar shall not be required to transfer ownership of this Note within five (5) days of any date on which any portion of the principal hereof is to be prepaid.

This Note is authorized to be issued by the Authority under the authority of and in full conformity with the constitution and laws of the State and pursuant to Nevada Revised Statutes ("NRS") 279.382 to 279.685, inclusive (the "Project Act"), and pursuant to a resolution adopted by the Authority on April 2, 2009, authorizing this Note (the "Resolution") for the purpose of paying the costs of the Project described in the Resolution.

The principal on this Note shall be payable from any legally available monies of the Authority and shall not constitute a general obligation of the City, and the full faith and credit

of the City are not pledged for payment of the principal of and interest on this Note. The obligation of the Authority to repay this Note is subordinate in all cases to any lien on the income, revenue and proceeds of taxes received by the Authority which is pledged to secure any bonds or other securities hereafter issued by the Authority. The City, the State and any of its political subdivisions are not liable on this Note, and in no event shall this Note be payable out of any legally available monies or properties other than the legally available monies the Authority pledged to its payment. This Note does not constitute an indebtedness of the City within the meaning of any constitutional or statutory debt limitation. This Note does not limit the ability of the Authority to issue other obligations with a lien on the income, revenue and proceeds of taxes received by the Authority which constitute the legally available revenues pledged to this Note.

This Note has been issued by the Authority to fund the administrative, project, and program expenses of the Authority for the Project as described in the Resolution. Pursuant to the provisions of NRS 279.646, this recital means that this Note is conclusively presumed to have been issued for a redevelopment project, and the Project is conclusively deemed to have been planned, located and constructed pursuant to the Project Act.

IN WITNESS WHEREOF, the Authority has caused this Note to be signed and executed in its name and upon its behalf with the manual signature of its Chairman, countersigned with the manual signature of its Treasurer, and has caused this Note to be signed, executed and attested with the manual signature of the Secretary of the Authority, all as of the date of delivery hereof as first noted above.

CITY OF CARSON CITY
REDEVELOPMENT AUTHORITY

By: _____
Chairman

By: _____
Treasurer

ATTEST:

By: _____
Secretary

REGISTRATION PANEL

This Note must be registered as to principal and interest on the registration panel records of the Authority, kept by the Treasurer of the Authority, as Registrar. The Registrar shall acknowledge such registration on such registration records and in the registration blank below. This Note may be transferred by the registered owner or his legal representative only upon a duly executed assignment in form satisfactory to the Registrar, such transfer to be made on said registration records and endorsed hereon.

Every privilege, registration, and transfer, shall be exercised only in accordance with the authorizing resolution and such reasonable rules and regulations as the Registrar may be prescribed.

<u>Principal of the Note</u>	<u>Date of Advance and Registration</u>	<u>Name of Registered Owner</u>	<u>Signature of Registrar</u>
\$4,800,000	May 1, 2009	Carson City, Nevada	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

PAYMENT PANEL

Principal of this Note has been paid on the dates indicated below:

<u>Date of Payment</u>	<u>Amount Paid</u>	<u>Signature of Paying Agent</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

ASSIGNMENT

The within and foregoing Note is hereby sold, assigned, transferred and set over, without recourse, unto _____, or order, subject to the terms and conditions of said Note.

Dated this _____, 20_____.

Owner:

Signature Guaranteed:

STATE OF NEVADA)
) ss.
CITY OF CARSON CITY)

I, Alan Glover, am the duly chosen and qualified City Clerk of Carson City, Nevada, and ex officio Secretary of the Carson City Redevelopment Authority (the "Authority") and in the performance of my duties as Secretary do hereby certify:

1. At the regular meeting of the Authority held on April 2, 2009, a resolution was passed and adopted, a full and complete copy of which is attached.

2. The members of the Authority voted on the passage and adoption of such resolution and were present at the meeting of April 2, 2009 as follows:

Those Voting Aye:	Shelly Aldean
	Robert L. Crowell
	Pete Livermore
	Robin Williamson
	Molly Walt

Those Voting Nay:

Those Absent:

3. All members of the Authority were given due and proper notice of the meeting held on April 2, 2009. Pursuant to and in full compliance with NRS 241.020, written notice of the meeting was given no later than 9:00 a.m. on the third working day before the meeting including the notice the time, place, location, and agenda of the meeting:

(a) By posting a copy of the notice not later than 9:00 a.m. on the third working day before the meeting at the principal office of the Authority, or if there is no principal office, at the building in which the meeting is to be held, the Authority's website, if any, and at least three (3) other separate, prominent places within the jurisdiction of the Authority, to wit:

- (i) Community Center
851 East William
Carson City, Nevada

- (ii) Carson City Courthouse
885 East Musser
Carson City, Nevada
- (iii) Carson City Administration Building
201 North Carson Street
Carson City, Nevada
- (iv) Bulletin Board at the Carson City Library
900 North Roop Street
Carson City, Nevada

(b) By mailing a copy of the notice to each person, if any, who has requested notice of the meeting of the Authority in accordance with the provisions of Chapter 241 of NRS.

4. Upon request, the Authority provides at no charge, at least one copy of the agenda for its public meetings, any proposed ordinance, resolution or regulation which will be discussed at the public meeting, and any other supporting materials provided to the Authority for an item on the agenda, except for certain confidential materials and materials pertaining to closed meetings, as provided by law.

5. A copy of the notice given of the April 2, 2009 meeting of the Authority is attached as Exhibit A.

IN WITNESS WHEREOF, I have hereunto set my hand this April 2, 2009.

Secretary

Exhibit "A"

(Attach Copy of Notice of Meeting)