

**Carson City
Agenda Report**

Date Submitted: May 29, 2012

Agenda Date Requested: June 7, 2012

Time Requested: 1 hour

To: Mayor and Supervisors

From: City Manager

Subject Title: For Possible Action. Discussion and possible action to direct the ballot question's general language and direct the City Manager and Clerk-Recorder to bring an NRS 392.482 compliant resolution before the Board for the placement of an advisory ballot question, including the explanation of the question, a description of the anticipated financial effect and the arguments for and against the question, on the November 2012 General Election Ballot for financing the design, development, construction, operation and maintenance of a new Knowledge and Discovery Center library and public plaza park on property to be donated to the City by the Hop and Mae Adams Foundation through an increase in the sales tax by 1/4 of 1 percent pursuant to NRS chapter 377A.

Staff Summary: At the May 17, 2012, the Board of Supervisors requested that the City Manager draft an advisory ballot question, explanation of the question, fiscal analysis, and environmental statement of building a new knowledge and discovery center and public plaza to be placed on the November 2012 ballot. The draft ballot question, explanation of the question, fiscal analysis, and environmental statement are attached.

Upon approval of this action, the Clerk/Recorder will have prepared arguments for and against the question to be included in the resolution.

Nevada Revised Statutes Chapter 377A provides, among other things, the ability of a governing body to submit a question to the people to allow the imposition of a 1/4 of 1 percent sales tax rate for a library. Nevada Revised Statutes Chapter 293 specifies the method and details for placing an advisory question before the voters.

Type of Action Requested: (check one)

☒ Resolution

☐ Ordinance

☐ Formal Action/Motion

☐ Other (Specify)

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

Recommended Board Action: I move to direct the ballot question's general language and direct the City Manager and Clerk-Recorder to bring an NRS 392.482 compliant resolution before the Board for the placement of an advisory ballot question, including the explanation of the question, a description of the anticipated financial effect and the arguments for and against the question, on the November 2012 General Election Ballot for financing the design, development, construction, operation and maintenance of a new Knowledge and Discovery Center library and public plaza park on property to be donated to the City by the Hop and Mae Adams Foundation through an increase in the sales tax by 1/4 of 1 percent pursuant to NRS chapter 377A.

Explanation for Recommended Board Action: See staff summary. If this action is approved, the resolution must be transmitted to the Clerk by Monday, July 16.

Applicable Statute, Code, Policy, Rule or Regulation: NRS Chapter 377A, NRS 293.481, and NRS 293.482

Fiscal Impact: Estimated project cost- \$28,000,000. Annual revenue from 1/4 of 1 percent sales tax rate equals \$1,900,000.

Explanation of Impact: If a ballot question raising the sales tax is approved, the revenue could only be used to fund the project.

Funding Source: Sales tax

Alternatives: There may be modifications to the ballot question, explanation of the question, fiscal note and environment note that the Board may wish to include.

Supporting Material: The draft ballot question, explanation of the question, fiscal analysis, and environmental statement are attached.

Reviewed By:

(City Manager)

Date:

5/28/12

Nancy Paulsen

(Finance Director)

Date:

5/29/12

Paul J. Allen

(District Attorney)

Date:

5/29/12

Board Action Taken:

Motion: _____

1) _____

Aye/Nay

2) _____

(Vote Recorded By)

CARSON CITY BALLOT QUESTION NO. 1. This question is advisory only: Do you support an increase in the sales tax in the amount of $\frac{1}{4}$ of 1 percent for the purpose of designing, constructing, operating, and maintaining of a Knowledge and Discovery Center library and public plaza park on lands donated to the city by the Hop and Mae Adams Foundation?

Explanation of Question:

The Carson City Board of Supervisors is proposing that an essential element for the economic and cultural growth of Carson City is the construction of a Knowledge and Discovery Center library and public plaza park in the downtown area. The Knowledge and Discovery Center library is projected to be approximately 64,000 square feet in size together with an approximate 35,000 square foot public plaza park, costing approximately \$27,700,000. The total cost is made up of \$22,400,000 for construction and \$5,300,000 for design, site work, utilities and furnishings.

The Knowledge and Discovery Center library would include traditional book access and reading areas for children, youth, teens and adults. Also included in the project are a technology and business support center, computer tools, arts and culture areas, meeting and conference rooms, library associated retail areas, a community auditorium and a public plaza park.

Fiscal Note:

The sales tax increase would last for up to 30 years. The average annual cost of this sales tax increase is expected to be \$25 per household or roughly \$12.50 for a typical payer of sales tax in the State based on estimated \$9,646 of taxable purchases using U.S. Census and IRS data for Carson City. If the tax is levied Carson City expects to sell bonds payable from the tax that are backed by the full faith and credit of the assessed value of Carson City. Following the levy of the tax, additional expenses are expected to be incurred to pay for the operation and maintenance of the City's facilities financed with the additional levy.

Operation and maintenance expenses of the Knowledge and Discovery Center library and public plaza park are currently provided by the Carson City general fund and may be augmented by the proceeds of this additional sales tax as determined by the Carson City Board of Supervisors.

Environment Note:

The Knowledge and Discovery Center library and public plaza park would be constructed on property that is currently paved and used for parking. The environmental impacts created by the project would be those associated with normal construction activities. There would be no impacts to drainage or waterways.