

CARSON CITY REDEVELOPMENT AUTHORITY

Minutes of the July 5, 2012 Meeting

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A meeting of the Carson City Redevelopment Authority was held during the regularly scheduled Board of Supervisors meeting, on Thursday, July 5, 2012 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Chairperson Shelly Aldean
Vice Chairperson Karen Abowd
Member John McKenna
Member Molly Walt

STAFF: Larry Werner, City Manager
Randal Munn, Chief Deputy District Attorney
Kathleen King, Deputy Clerk / Recording Secretary

NOTE: A recording of these proceedings, the Redevelopment Authority's agenda materials, and any written comments or documentation provided to the Clerk during the meeting are part of the public record. These materials are available for review, in the Clerk's Office, during regular business hours.

22. CALL TO ORDER AND ROLL CALL (10:26:50) - Chairperson Aldean called the meeting to order at 10:26 a.m. A quorum was present. Member Crowell was absent.

23. CITY MANAGER - DISCUSSION AND POSSIBLE ACTION TO RECOMMEND TO THE BOARD OF SUPERVISORS AND APPROVE AND AUTHORIZE THE CHAIR OF THE REDEVELOPMENT AGENCY BOARD TO EXECUTE AMENDMENT #1 TO THE DECEMBER 22, 2008 COMMITMENT AGREEMENT FOR CONTINUING BUSINESS OPERATIONS WITH MICHAEL HOHL MOTOR COMPANY AND VARIOUS MICHAEL HOHL CORPORATE ENTITIES, AND TO AUTHORIZE THE PAYMENT OF A \$2.4 MILLION REDEVELOPMENT LOAN FROM THE REDEVELOPMENT REVOLVING FUND, PURSUANT TO 2005-RA-R-2; IN EXCHANGE FOR A REDUCED INTEREST RATE, THE MICHAEL HOHL HONDA, MICHAEL HOHL SUBARU, AND MICHAEL HOHL CHEVROLET DEALERSHIP BUSINESSES AGREE TO EXTEND THEIR COMMITMENT TO DO BUSINESS IN CARSON CITY TO THIRTY YEARS, PURSUANT TO A DULY EXECUTED CONSOLIDATED PROMISSORY NOTE SECURED BY THE RECORDING OF A DEED OF TRUST ON THE CHEVROLET PROPERTY AND RECORDING OF AMENDMENT #1, AS NOTICE OF ADDITIONAL SECURITY ON THE HONDA AND SUBARU PROPERTIES (10:26:57) - Chairperson Aldean introduced this item. Mr. Werner provided background information, and Mr. Munn reviewed the agenda materials. At Chairperson Aldean's request, Finance Department Director Nick Providenti explained the mechanism of the incentive, the method by which the loan is amortized, and the method by which amounts are deducted from the balanced owed. Mr. Werner acknowledged that funding for the agreement is available from the redevelopment fund, carried forward for this purpose.

(10:32:37) At Chairperson Aldean's invitation, Michael Hohl provided background information on the original incentive agreement relative to remodel of the GM store and construction of the Honda / Subaru store. He commended City staff, Mr. Werner and Mr. Providenti, in particular, and Chairperson Aldean for their "forward thinking." He noted that the car sales business "remains difficult." He expressed confidence that business will continue to improve, noting his three sons who were present in the meeting room. Chairperson Aldean thanked Mr. Hohl for his continued commitment to Carson City.

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Chairperson Aldean entertained additional questions or comments of the Redevelopment Authority members. Vice Chairperson Abowd disclosed that Mr. Hohl “was kind enough to contribute to [her] campaign,” and that she had rendered professional design services at the Hohl family’s residence. Chairperson Aldean entertained additional Redevelopment Authority member comments or questions and, when none were forthcoming, public comments. When none were forthcoming, she entertained a motion. **Vice Chairperson Abowd moved to recommend to the Board of Supervisors, and approve and authorize the Chair of the Redevelopment Agency Board to execute Amendment #1 to the December 22, 2008 Commitment Agreement for Continuing Business Operations with Michael Hohl Motor Company and various Michael Hohl corporate entities, and to authorize the payment of a \$2.4 million redevelopment loan from the Redevelopment Revolving Fund, pursuant to 2005-RA-R-2; in exchange for a reduced interest rate, the Michael Hohl Honda, Michael Hohl Subaru, and Michael Hohl Chevrolet dealership businesses have agreed to extend their commitment to do business in Carson City to thirty years, pursuant to a duly executed Consolidated Promissory Note, secured by the recording of a Deed of Trust on the Chevrolet property, and recording of Amendment #1, as Notice of Additional Security on the Honda and Subaru properties. Supervisor McKenna seconded the motion. Motion carried 4-0.**

24. PUBLIC COMMENT (10:37:13) - Chairperson Aldean entertained public comment; however, none was forthcoming.

25. ACTION TO ADJOURN (10:37:27) - Member Walt moved to adjourn the meeting at 10:37 a.m. Vice Chairperson Abowd seconded the motion. Motion carried 4-0.

The Minutes of the July 5, 2012 Carson City Redevelopment Authority meeting are so approved this _____ day of _____, 2012.

SHELLY ALDEAN, Chair

ATTEST:

ALAN GLOVER, Clerk - Recorder