



STAFF REPORT

Report To: Redevelopment Authority

Meeting Date: March 3, 2016

Staff Contact: Lee Plemel, Community Development Director (lplemel@carson.org)

Agenda Title: For Possible Action: To accept the Redevelopment allocation plan for Redevelopment undesignated infrastructure funds for Fiscal Year 2015-16 and estimating future allocations for the following four years as recommended by the Redevelopment Authority Citizens Committee to implement Redevelopment objectives as prioritized by the Redevelopment Authority.

Staff Summary: The Redevelopment Authority approved a prioritization of objectives, projects and programs on October 15, 2015, to pursue with the use of undesignated Redevelopment funds. It is anticipated that the five-year allocation plan will be reviewed and adjusted by Redevelopment Authority each year going forward.

Agenda Action: Formal Action/Motion

Time Requested: 30 minutes

Proposed Motion

I move to accept the Redevelopment allocation plan for Redevelopment undesignated infrastructure funds for Fiscal Year 2015-16 and estimating future allocations for the following four years as recommended by the Redevelopment Authority Citizens Committee to implement Redevelopment objectives as prioritized by the Redevelopment Authority.

Board's Strategic Goal

Economic Development

Previous Action

The Redevelopment Authority Citizens Committee (RACC) recommended approval of the Redevelopment allocation plan on February 1, 2016, by a vote of 5-0 (2 absent).

Background/Issues & Analysis

The Redevelopment Authority approved a prioritization of objectives, projects and programs on October 15, 2015, to pursue with the use of undesignated Redevelopment funds. The purpose of this item is to establish a five-year plan for allocating Redevelopment funds to implement these activities, including allocation of funds for the remainder of FY 2015-16 (through June 2016), allocation of funds in the draft FY 2016-17 Redevelopment budget, and estimating future expenditures to implement the Redevelopment activities. It is anticipated that the five-year plan will be reviewed and adjusted by the Redevelopment Authority each year going forward based on actual expenditures and changes in priorities.

Attached is a table showing the RACC's recommended funding for the various objectives, projects and programs for the next five-year period, including the current fiscal year. The table shows recommended funding for each activity by Fiscal Year with the total projected expenditures for that activity over the next five years in the right-hand column. The table also shows the total estimated available funds in each year and the total estimated allocations for each year, with the difference or undesignated "reserve" shown for each year at the bottom of the

table. The Redevelopment Authority may use this table to make any adjustments to the proposed allocation plan.

As recommended by RACC, the total estimated available undesignated funds over the next five years is \$2,488,716, with \$1,680,000 (67.5% of the total available) in recommended planned expenditures and \$808,716 (32.5%) in undesignated reserves. The Redevelopment Authority may approve modifications to the recommendations in the spreadsheet.

Also attached is a memo with more information regarding each activity as prioritized on the spreadsheet and recommended funding amounts for those activities.

Contact Lee Plemel at lplemel@carson.org or 283-7075 if you have any questions regarding this item.

Attachments:

- 1. RACC recommended Five-Year Allocation Plan
- 2. Staff memo

Applicable Statute, Code, Policy, Rule or Regulation

NRS 279 (Redevelopment of Communities), Redevelopment Area Plans

Financial Information

Is there a fiscal impact? Yes No

If yes, account name/number: Redevelopment Revolving Fund (603)

Is it currently budgeted? Yes No

Explanation of Fiscal Impact: The funds are available in the Redevelopment budget (estimated for future years) but not currently allocated to specific activities.

Alternatives

- 1. Modify the RACC's recommendations.

Board Action Taken:

Motion: _____

1) _____

Aye/Nay

2) _____

(Vote Recorded By)

RACC Five-Year Allocation Plan Recommendation

Objective/Program/Project	2015-16	2016-17	2017-18	2018-19	2019-20	5-year Total
1. East/West Downtown Street improvements to match Carson/Curry Street improvements			\$ 200,000	\$ 100,000	\$ 200,000	\$ 500,000
2. Purchase downtown equipment/ infrastructure to facilitate special events	\$ 10,000	\$ 20,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 45,000
2(A). Special event support, Public Works street closures	\$ 15,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 115,000
3. Downtown Façade Improvement Program	\$ 150,000	\$ 50,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 260,000
4. Continue with Special Event funding*	\$ 65,000	\$ 60,000	\$ 55,000	\$ 50,000	\$ 45,000	\$ 275,000
5. Assist with undergrounding and utility extensions for new development	\$ -	\$ 40,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 100,000
6. Assist with William Street corridor project			\$ 185,000	\$ 200,000		\$ 385,000
7. Purchase property for future redevelopment						\$ -
8. Provide more directional signage throughout the Redevelopment Areas						\$ -
	Total: \$ 240,000	\$ 195,000	\$ 510,000	\$ 420,000	\$ 315,000	\$ 1,680,000
	Estimated Available**: \$ 376,218	\$ 431,730	\$ 512,081	\$ 561,298	\$ 607,389	\$ 2,488,716
	Reserve/Undesignated: \$ 136,218	\$ 236,730	\$ 2,081	\$ 141,298	\$ 292,389	\$ 808,716

* Allocation of \$65,000 already approved for FY 2015-16, split 40/60 between arts and culture events and other events.

** Estimated Undesignated funds plus \$65,000 projected annual allocation to special events.

Special Events budget per Finance projection:	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000
Undesignated budget per Finance projection:	\$ 311,218	\$ 366,730	\$ 447,081	\$ 496,298	\$ 542,389
Total available:	\$ 376,218	\$ 431,730	\$ 512,081	\$ 561,298	\$ 607,389



Community Development Department

108 E. Proctor Street
Carson City, Nevada 89701
(775) 887-2180 – Hearing Impaired: 711

Date: February 22, 2016

To: Redevelopment Authority
Meeting of March 3, 2016

From: Lee Plemel, Community Development Director

Subject: Allocation of Redevelopment undesignated infrastructure funds for Fiscal Year 2015-16 and estimating future allocations for the following four years to implement Redevelopment objectives as prioritized by the Redevelopment Authority.

This memo supplements the information provided in the staff report to provide more detailed information regarding the Redevelopment priority projects and programs that are recommended for funding over the next several years. The priorities with recommended funding allocations are as follows:

1. Improve the east/west connector streets between Carson Street and Curry Street to match the new Carson Street and Curry Street improvements.

The Downtown Streetscape Enhancement Project includes sidewalk and landscaping improvements to Carson Street between Fifth Street and William Street, and improvements to Curry Street between Musser and Robinson Streets. The budgeted improvements do not include improvements to the connecting streets between Carson and Curry Streets, i.e. Musser, Proctor, Telegraph, Spear and Robinson Streets. Redevelopment funds would be used to make improvements to the sidewalks and landscaping along the side streets similar to the downtown project, including textured concrete and pavers, to improve the overall appearance of the area.

The estimated cost per one-block side-street is approximately \$100,000, per the Public Works Department. The Curry Street project construction is scheduled for 2018, and it is not anticipated that construction on any of the side streets would occur before then. Staff's recommended budget projection includes a total of \$500,000 for the five side streets spread over three years. It is assumed that construction on all the side streets would not occur in the same year as the Curry Street construction so that the entire blocks are not under construction at the same time. As design on the projects progress, cost figures will be narrowed down and construction periods could be adjusted. The RACC and Redevelopment Authority will have the opportunity to review these future budget numbers with more detailed project cost estimates prior to specific funds being budgeted in any given construction year. Additional funds could be added in future years for other side streets in the area, such as those between Musser and Fifth Streets.

2. Purchase downtown equipment and/or infrastructure to help facilitate special events.

This activity is ranked relatively high in conjunction with the lower ranked activity of continuing to directly fund individual special events. The philosophy discussed by both the RACC and the Redevelopment Authority is to reduce direct funding to individual events over time but replace that funding by providing the “infrastructure” necessary to put events on.

City code requires special event applicants to pay for all costs associated with street closures, including rental and placement of barricades and traffic signs and the preparation of a traffic control plan. This can cost thousands of dollars per event, depending on the size of the event. It was initially thought that this activity category would include purchase of the equipment necessary for street closures, e.g. barricades, traffic signs, etc. However, after discussing the issue in more detail with Public Works and city management, it is staff’s recommendation that Public Works provides the services related to all special event street closures in order to provide consistent, safe and legal street closure and traffic control measures.

Based on the cost incurred by Public Works for past street closures, it is estimated that performing these services would cost approximately \$25,000 per year. Therefore, staff recommends allocating \$25,000 per year to reimburse Public Works for the cost of special event street closures. The recommended amount for the remainder of FY 2015-16 is \$15,000 since the funds only need cover the cost of events through June of this year. The allocation for street closures has been identified separately from the remainder of the allocation under this objective to identify it as ongoing funding for budget purposes. Staff is working on modifying the special event application process and policies to reflect these recommendations.

The remainder of the funding for special event infrastructure will go towards the purchase of equipment such as tent, tables, chairs, and garbage cans that can be used by special event operators. City staff has contacted some event managers and will continue to contact them to determine specific needs to support various events. This may include equipment for specific activities that are being discussed for future Third Street McFadden Plaza, such as movie projection equipment for movie nights or other event ideas.

The RACC recommends a budget for the purchase of equipment in FY 2015-16 in the amount of \$10,000 to cover costs that may be incurred before June 30, 2016 and \$20,000 allocated for the next FY to cover the “bulk” of the up-front costs. An amount of \$5,000 per year estimated for future years. Any expenditure from this category will be brought back to the Redevelopment Authority and Board of Supervisors for authorization prior to any expenditures occurring.

3. Implement a Façade Improvement Program.

A façade improvement program (FIP) assists property owners with improving the exterior appearance of their buildings, thereby improving the general appearance and attractiveness and increasing the overall desirability of the area. The details of implementing a FIP will be discussed and determined as a separate item on this agenda, which includes the parameters for the funding including the maximum allowable funding, the percentage of required matching funds, and other requirements for obtaining the funds. For the purposes of this item, the action is to allocate a certain amount of funding for the current Fiscal Year and FY 2016-17 and estimate funding for future years.

An amount of \$150,000 is recommendation as an initial allocation and \$50,000 in FY 2016-17, with \$20,000 per year allocated in subsequent years. It is anticipated that there will initially be a

number of property owners wanting to participate in the program, so adequately funding the program up-front would allow more property owners to complete improvements. Staff initially suggested an allocation of \$150,000 in the first two years (\$125,000 and \$25,000, respectively), but the RACC wanted to ensure that adequate funds are available for this activity. Any unused allocation could be carried forward to following years, which will be evaluated annually to determine the actual funding needs of this and other activities.

A separate item on this agenda will be to authorize the allocation of funds for the FIP in FY 2015-16 and FY 2016-17, in addition to a separate item to establish the FIP.

4. Continue special event funding.

The amount of Redevelopment funding given to support special events has been consistent for the last several years, with \$65,000 of discretionary funds allocated each year including FY 2015-16. As noted previously, the RACC and Redevelopment Authority have discussed reducing the continued amount of funding given directly to individual events while providing additional funding to support infrastructure and equipment available to all events. The proposed plan is to reduce discretionary special event funding by \$5,000 each year for the next four years. As with other activities, this will be evaluated each year and could be adjusted.

5. Assist with undergrounding and utility extensions for new development.

This activity would include participation in the cost of extending or relocating off-site utilities for new development or redevelopment of a property. There are no known projects currently that could utilize such a program, but requests have been made in the past for such assistance. A utilities assistance program could help offset the cost of development where existing conditions with utilities are not conducive to developing a property. Policies and procedures need to be developed to implement such a program (the suspended business assistance program would be a good model with which to start). Staff will bring back policies and procedures for this activity at a future meeting. It is recommended allocating \$20,000 per year to this activity, combining FY 2015-16 into FY 2016-17 for a total of \$40,000 in FY 2016-17.

6. Assist with the “Greening William Street” corridor improvements.

The William Street corridor is part of the sales tax expenditure plan as part of the overall planned commercial corridor improvements. A “Greening William Street” public event was conducted in 2015 with an EPA grant, and conceptual plans resulting from those workshops should be available within a couple of months. William Street improvements were tentatively planned for construction in 2018, which is the same year Curry Street improvements will be constructed as part of the downtown improvement project. Staff recommends allocating some funding beginning in the 2017-18 Fiscal Year so that improvements can start in that year, since the entire corridor does not have to be improved at one time and it is not likely that it will occur all in one year. As with other activities, this allocation can be evaluated each year based on the status of project planning and design.

7. Purchase property for future redevelopment.

Redevelopment agencies are authorized to and often do purchase property to later sell or work with a private developer to develop the property with uses the agency wants in order to implement their plans. This usually (in all cases I know of) occurs at redevelopment agencies

where full-time staff is available to manage the property and actively pursue redevelopment opportunities.

This activity is low priority and is not recommended for planned funding. Purchasing property would generally involve the allocation of a large portion of Carson City's available Redevelopment funds, though it would be possible through financing. If a specific opportunity presented itself in the future, the Redevelopment Authority could consider the use of reserve funds for this activity.

8. Provide more directional signage throughout the Redevelopment Area.

This activity is a low priority and is not recommended for planned funding. It is expected that improved directional signage will be included with the various corridor improvement projects, beginning with the downtown project.

Contact Lee Plemel at lplemel@carson.org or 283-7075 if you have any questions regarding this item.