A meeting of the Carson City Redevelopment Authority was held during the regularly scheduled meeting of the Carson City Board of Supervisors on Thursday, March 21, 2002, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, which began at 8:30 a.m.

PRESENT: Chairperson Robin Williamson and Members Ray Masayko, Jon Plank, Pete Livermore, and Richard S. Staub

STAFF PRESENT: City Manager John Berkich, Clerk-Recorder Alan Glover, Redevelopment Director Rob Joiner, Chief Deputy District Attorney Mark Forsberg, and Recording Secretary Katherine McLaughlin (B.O.S. 3/21/02 Tape 1-3560)

NOTE: Unless otherwise indicated, each item was introduced by staff's reading/outlining/clarifying the Board Action Request and/or supporting documentation. Staff members making the introduction are listed above. Any other individuals who spoke are listed immediately following the item heading. A tape recording of these proceedings is available for review and inspection during normal business hours.

Mayor Masayko recessed the Board of Supervisors session and passed the gavel to Redevelopment Authority Chairperson Williamson. Chairperson Williamson convened the meeting by indicating for the record that the entire Authority was present, constituting a quorum. (See Board of Supervisors Minutes for this date for discussion/action on the other Agenda items.)

ACTION TO APPROVE A REQUEST FROM MADALENA FARROW, APPLICANT (PROPERTY OWNER: BOAC, LTD. [FORMERLY BANK BUILDING INC.]), FOR REDEVELOPMENT INCENTIVE PROGRAM FUNDING FOR REHABILITATION OF HEATING, AIR CONDITIONING AND VENTILATION EQUIPMENT AND SYSTEMS ON PROPERTY LOCATED AT 600 EAST WILLIAM STREET, APN 002-145-01, IN THE AMOUNT OF $100,000 AND NOT TO EXCEED 20 PERCENT OF THE TOTAL PROJECT COST (1-3575) - Madalena Farrow and her contractor Tom Metcalf - Discussion between the Board and Mr. Joiner explained the statutory requirement for a majority vote of the seated members and the District Attorney's opinion that the Committee could legally consider and move the item forward as only one member is elected. The State law applies only when a majority of the members are elected. Chairperson Williamson indicated for the record that this is the second month in a row that Ms. Farrow had attended Redevelopment Authority Citizens Committee (RACC) meetings. The first time there had not been a quorum of the members. Ms. Farrow had been patient with the RACC. Discussion also pointed out that the request was for the maximum amount allowed by the incentive program–$100,000 or 20 percent of the project–and corrected the suggested motion in the packet. Mr. Joiner explained the requirement that the work must have all the necessary permits, approvals and receipts. Once the work is completed and approved, the funds will be reimbursed to Ms. Farrow.

A packet of information was given to the Authority Members. This packet of information had purportedly been given to the RACC. (A copy was not given to the Clerk.) A computer enhanced photograph was used to illustrate the project. The funds are to be used to improve the electrical and mechanical sections of the building. The energy upgrades, landscaping and parking lot improvements were noted. Additional improvements are proposed for the building in the future. Chairperson Williamson explained her understanding that the tenant occupancy will dictate when the outside of the building is completed. Mr. Metcalf felt that the outside would be completed this summer as it was felt that the lobby and exterior improvements were necessary to attract additional tenants. Clarification by Ms. Farrow indicated that the exterior shade structures, concrete and stucco arches, lighting and landscaping are all part of the exterior work contemplated at this time. Mr. Metcalf described the shade structures. Pete Sennett is to be providing assistance with the landscaping. He had been involved with the budget. Some of the present landscaping will be removed to allow construction of the columns and to remove that which is overgrown. The fourth floor of the building is to be added as a future project. The sidewalk will be reconstructed. The need for the sidewalk to be reconstructed was limned. Future plans call for a parking garage. The Bank of America sign is to be moved to the center of the building. The building is located at the very edge of the Redevelopment District and should be considered part of the gateway entrance.

Member Masayko thanked Ms. Farrow for coming forward with the project. He acknowledged the need to upgrade the HVAC. He pointed out the Authority's limited funding and questioned the use of these limited funds for this purpose. He supported incentive funding for exterior shade, concrete and stucco arches, lighting and landscaping, which must meet the Downtown Design Review criteria and acceptance. He was willing to support pedestrian improvements in addition to the parking lot improvements. The "penthouse" concept as well as multiple or retail uses could be considered at a future date. These concepts meet the Redevelopment concepts for the downtown area. He questioned the budget amount required for the outside work and indicated that if it equals $500,000, he could fund it at the 20 percent ratio. Clarification of his position for future projects indicated that he was not willing to consider incentives for the interior of 30 year old buildings such as the HVAC improvements. Clarification indicated that if there are multiple properties or property owners involved with the project, additional incentives could be obtained. The policy limits the amount of funding to $100,000 per parcel. At this time the property is one parcel. Mr. Metcalf indicated that the estimated cost for the project at this time is $580,000 of which $100,000 is the electrical work. The project is still in the conceptual phase. Additional work needs to be done on the landscaping and architecture before final figures are developed. Chairperson Williamson pointed out that the work must be accomplished before the funds are reimbursed.

Discussion among the Authority indicated that buildings have not been prioritized. The downtown corridor is the main target for the incentives. The Committee had not considered any improvements along Highway 50 until this project arose. This was the reason Chairperson Williamson had opposed the project. Member Livermore felt that the Highway 50 corridor should be considered as important as the Carson Street corridor although he had never considered it a gateway. The building had always been as important to him as the Federal Building at Plaza and Fall and Washington. It is now 30 years old. He agreed that it is along the eastern gateway and a major corridor to the City. Chairperson Williamson explained funding incentives given to the State Museum for signage and to Comma Coffee for interior improvements. There are other projects coming forward for funding. Such opportunities may include the Ormsby House, the Carson Station, the Lucky Spur, etc. In the past funds have been reserved for projects which may not have occurred without the program. Ms. Farrow had indicated at the RACC meeting that the $100,000 incentive funding would make the project "pencil" for her. Chairperson Williamson was glad to learn that the exterior improvements are going to be done with the first phase rather than, as had been indicated to RACC, as a future project based on the occupancy rate of the building. There are several vacant office buildings in the community today which may indicate that it will take time to fill the building. There had also been an indication that the second building on the site may be used for retail purposes. Mr. Metcalf also indicated that the building may include residential uses. Ms. Farrow had acquired the building in November. The property taxes have been paid.

Member Staub pointed out that the RACC motion had included the work which is to be accomplished. The Authority's motion did not include the work. He supported Member Masayko's concerns regarding the use of the funds to make mechanical and electrical improvements to the building due to the feeling that these improvements are the landlord's responsibility. The funds should be spent to upgrade the aesthetics of the community. The HVAC was in its current condition when she acquired the building and would have been considered in the purchase price. Member Plank supported his and Member Masayko's comments regarding the benefits to the community that are provided by the aesthetic improvements. The HVAC improvements will benefit only the occupants. He also could not support the Committee's motion due to the fact that only two members had voted for it. Member Livermore explained that $480,000 at 20 percent provides the maximum funding of almost $100,000. As the Committee is advisory and the Authority could amend or reject the Committee's recommendation, he would support the request as it is an opportunity to make structure improvements to a building along the Highway 50 gateway corridor.

Mr. Joiner pointed out for the record that the project had been considered on two separate occasions. The first time had been for only HVAC improvements. The second project was the one that was submitted to the Authority. The Committee routinely has two members absent at all of its meetings. Also, two of the seven RACC members must abstain on this project due to conflicts. Therefore, a 7-0 vote will not be possible. The Authority can modify the motion if desired. He, too, felt that the project could almost support the $100,000 limit based on aesthetic improvements without the HVAC improvements. Chairperson Williamson explained that her support for the project had been based on the proposal to use the funding for HVAC improvements as it was her understanding that the exterior improvements would be a future phase of the project. Mr. Joiner agreed that the Committee's motion had been for the HVAC improvements and not the exterior improvements and apologized for the difference in the motions. Mr. Metcalf explained the estimated HVAC and electrical improvements totaled $105,000. The other items totaled $480,000. There is a contingency amount of $75,000. The HVAC and electrical figures were felt to be firm. The other costs depend upon the final design. The preliminary figures had been based on a very "schematic" drawing. Member Plank then indicated that based on these figures he would support a maximum of $61,000. Chairperson Williamson suggested that they withdraw the request and return with better figures. Clarification for Ms. Farrow indicated that the interior improvements were beneficial to the landowner and tenants. The Authority did not wish to fund them. Discussion explained that the Authority wished to support projects which will maintain the historic structure and preserve the "street scape". Only exterior, landscaping, and parking will be considered. Ms. Farrow pointed out that her original request had been for only the HVAC and electrical improvements. Mr. Metcalf explained that the desire is to have a better plan and budget even though it will cost the property owner additional money to provide this information. He also pointed out that with the current status of the RA funding, the funds may be gone by the time this information is prepared. Chairperson Williamson explained that the project had not been a priority for her. She was attempting to let the other Committee Members and Authority Members have their say in the project. She, as the Chairperson, will support a majority decision. Member Masayko pointed out that the Authority was not willing to grant an open ended funding amount at $100,000. He felt that at a maximum only $65,000 could be granted. Discussion between the Authority and Mr. Forsberg indicated a concern with the manner in which the item had been agenized and whether the lessor amount could be approved. The comments then indicated a desire to bring the manner back under a different heading. It would not be necessary for Ms. Farrow to appear but her representative should be present. Clarification also indicated that if the figures are redefined, it may be necessary for the RACC to reconsider it. Ms. Farrow felt that the architect's estimate would take time to acquire. Chairperson Williamson reiterated her suggestion that the item be withdrawn and resubmitted. Member Staub also recommended that the request be resubmitted to the RACC and that RACC should consider the Board's concern about the use of the funds for the HVAC and electrical systems. **Member Staub moved that the request from Madalena Farrow, applicant, property owner: BOAC, Limited, formerly Bank Building, Inc., be referred back to the Redevelopment Authority Citizens Committee for further review with consideration of the statements of the Board members regarding the purpose and use of the incentive funds and whether those purposes and uses are being properly applied in this application. Member Plank seconded the motion**. Following a suggested amendment, **Member Staub amended his motion to include that if there is no quorum, that the request will come back to us at the next available date. Member Plank concurred with the amendment** and asked that the Chairperson advise the Committee Members of the importance to attend the meeting. Clarification indicated that there should be a quorum of the Committee at that meeting. Member Masayko asked that it be perfectly clear that even if the request is submitted with adequate numbers to indicate that the request will support the $100,000 in incentives, he may not approve the entire request at the Authority level. It is the applicant and Mr. Metcalf's obligation to make the case for the funding level. He will fund it as is deemed appropriate. Mr. Metcalf indicated that the figures will be clear where the funding will be spent. Member Plank urged him to make certain that there is no "padding". Mr. Metcalf pointed out that the bills must be submitted before reimbursement is approved. There will not be any padding. Mr. Joiner asked for clarification from the Authority. Comma Coffee improvements had been for interior improvements only. The policy had never been limited to only exterior improvements. Ninety-nine percent of the first project had been for the interior of the Depot. The policy had never been this distinct. He understood the Board's concern. The project's biggest changes will be to the exterior. Chairperson Williamson felt that this is what makes the project attractive. She also felt that as the money gets tighter, they should be more selective in the projects which are undertaken. Member Masayko also pointed out that the Authority does not include any of the original members who had developed the initial incentive program or funded the Depot project. **The motion to refer the application back to the RACC as indicated was voted and carried 5-0.**

There being no other matters for consideration by the Redevelopment Authority, Chairperson Williamson adjourned the Redevelopment Authority and returned the gavel to Mayor Masayko.

The Minutes of the March 21, 2002, Carson City Redevelopment Authority meeting

ARE SO APPROVED ON__August 1_______, 2002.

_/s/____________________________________
Robin Williamson, Chairperson

ATTEST:

_/s/______________________________________
Alan Glover, Clerk-Recorder