

CARSON CITY REDEVELOPMENT AUTHORITY

Minutes of the August 1, 2002, Meeting

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A meeting of the Carson City Redevelopment Authority was held during the regularly scheduled meeting of the Carson City Board of Supervisors on Thursday, August 1, 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, Chief Deputy District Attorney Mark Forsberg, and Recording Secretary Katherine McLaughlin (B.O.S. 8/1/02 Tape 1-2912)

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.)

APPROVAL OF MINUTES - March 21 and April 18, 2002 (1-2935) - Member Livermore moved to approve the Carson City Redevelopment Authority Minutes of March 21 with the correction as noted on Page 2 and the April 18, 2002, Minutes as presented. Member Masayko seconded the motion. Motion carried 5-0.

ACTION TO APPROVE A BILL DRAFT REQUEST TO AMEND NRS TO CORRECT A TECHNICAL ERROR IN SB 197 FROM THE 1989 LEGISLATIVE SESSION WHICH WOULD PROVIDE THAT THE CURRENT ASSESSED VALUE OF ANY LAND ACQUIRED BY THE STATE THAT BECOMES STATE EXEMPT PROPERTY WILL BE REMOVED FROM THE REDEVELOPMENT DISTRICT BASE AND NOT THE INCREMENTAL INCREASE OF THE ASSESSED VALUATION USED IN THE FUNDING OF REDEVELOPMENT AGENCIES (1-2940) - Consultant Mary Walker explained the original concept and the error in the bill draft, the reasons for correcting the error, and the impact of the current process. The revision purportedly impacts only Carson City and no other Redevelopment District. This is due to the large amount of State owned property within the District. The revision does not impact the taxes paid by residents/property owners within the district but does reapportion the tax revenue. The proposal keeps the Redevelopment District whole. The General Obligation revenue backed bonds could not have been sold without the change proposed in SB 197. Member Masayko pointed out for clarity of the record that the bonds could have been sold as straight General Obligations bonds without the revenue backing. Ms. Walker agreed that they could have been but had not. She questioned whether the bonds could have been sold without SB 197 as some of the bonds proceeds had been used for the redevelopment incentive program. Straight governmental GO bonds cannot be used for private/public incentive programs. Examples of the tax shift and the impacts the incorrect bill draft had created were limned.

Assessor Kit Weaver explained the District's tax base, the tax law and how the ad valorem rate in the District is impacted. The revision will negatively impact the School District.

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Chairperson Williamson agreed that the School District would lose money for the properties in the Redevelopment District. The tax revenue is also impacted by the number of nonprofit churches/organizations found in the district and the renovation program that allows a depreciation allowance for structures based on the age of the structure. She also pointed out that the tax base for the District would have continued to drop unless redevelopment in the area occurred. She also explained that the Redevelopment District attracts growth around it which increases the tax base in the areas outside of the District. This in turn generates more funds than would be lost within the District.

School District Operations Director Michael Mitchell explained that the School District had not been asked for a position about the revision. The School District's faith in the Board's decisions was indicated. The School District felt that the Board would continue to do whatever is best for both the School District and the Redevelopment District. Based on this belief, the School District, in general had supported the Board's efforts.

Chairperson Williamson complimented Mr. Weaver on his research of the law and intent to follow it to the letter. Research had indicated that the testimony provided during the Bill adoption process supported the proposed revision. Ms. Walker reiterated her statements that one sentence had been dropped from the original bill which had changed the entire process.

Member Plank moved to approve a bill draft request to amend NRS to correct a technical error in SB 197 from the 1989 legislative session which would provide that the current assessed value of any land acquired by the State that becomes State-exempt property will be removed from the Redevelopment District base and not the incremental increase of the assessed valuation used in funding of Redevelopment Agencies; and the funding source is the Redevelopment Tax Increment. Member Livermore seconded the motion. Member Masayko explained that he did not oppose the concept or the motion. The proposal is an effort for the other tax paying entities to ensure that the Redevelopment Authority does not lose revenue. The proposal causes them to subsidize the Redevelopment Authority. He asked that record indicate that the Redevelopment Authority will lose money like the School District will unless the rate and the assessed valuations are raised. He also agreed that funds will be made up under the proposal but without that action, the Authority will lose money. Chairperson Williamson agreed that there would be an impact as could be found with all non-profit entities. Member Masayko pointed out that legislation could have been drafted that would require the State to pay the present value of all bond indebtedness assessments for the Redevelopment property. This option had not been used. Member Plank pointed out that having the State governmental offices located in the City is an asset to the community and its betterment. Its value is more than the loss incurred in the Redevelopment District by the subsidy on the other property owners. Member Masayko indicated that this had not been his point. The value of State governmental offices is not the issue. Member Staub pointed out that the proposal corrects a technical error created in 1989. The proposal had been well thought out at that time, however, the bill draft had not matched the intent. The proposed revision matches that intent. Additional comments were solicited but none given. The motion carried 5-0.

There being no other matters for consideration by the Authority, Chairperson Williamson adjourned the Redevelopment Authority.

A tape recording of these proceedings is available for review and inspection during normal business hours.

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The Minutes of the August 1, 2002, Carson City Redevelopment Authority meeting

ARE SO APPROVED ON _____, 2003.

Robin Williamson, Chairperson

ATTEST:

Alan Glover, Clerk-Recorder