

CARSON CITY REDEVELOPMENT AUTHORITY
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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, December 16, 1999, 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 Kay Bennett

STAFF PRESENT:

John Berkich	City Manager
Alan Glover	Clerk-Recorder
Rob Joiner	Redevelopment Director
Mark Forsberg	Chief Deputy District Attorney
Neil Rombardo	Deputy District Attorney
Katherine McLaughlin	Recording Secretary

(B.O.S. 12/16/99 Tape 2-1680)

NOTE: Unless otherwise indicated, each item was introduced by staff's reading/outlining/clarifying the Board Action Request and/or supporting documentation. Staff members who had participated in the discussion are listed above. A tape recording of these proceedings is on file in the Clerk-Recorder's office. This tape 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 of December 16, 1999, for discussion/action on the other Agenda items.)

A. ACTION TO APPROVE A RESOLUTION BY THE REDEVELOPMENT AUTHORITY RECOMMENDING TO THE CARSON CITY BOARD OF SUPERVISORS AN AMENDMENT TO THE REDEVELOPMENT PLAN BY ADDING REAL PROPERTY LOCATED AT 700 CLEAR CREEK ROAD, CARSON CITY, NEVADA, APN 9-302-05, ALSO KNOWN AS THE NORTH PARKING LOT AT FUJI PARK, TO THE ALREADY EXISTING REDEVELOPMENT AREA PURSUANT TO NRS 279.608 (2-1684) - A map was used to indicate the location. Staff introductions included reports on the Redevelopment Authority Citizens Committee and Park and Recreation Commission's review and action on the proposal. Costco representatives were present. Efforts during the last five years to find it a site were described. The recent NDOT revisions to the freeway interchange had made the proposed site a viable option. Justification for using the Redevelopment process rather than other disposal mechanisms was provided. The process, including the mandatory findings, was described.

Parks and Recreation Commission Chairperson Larry Osborne limned the hearing and the Commission's action approving the concept and recommendations that: 1. One hundred percent of the sale proceeds go to the Parks Department and 2. That the Parks Department begin with the next year to find a suitable mitigating site or area for impacts upon Fuji Park. Then, as the Chamber of Commerce Executive Vice President, he explained the Chamber and its Mainstreet Committee's support for the proposal.

Member Bennett asked staff to evaluate expanding the district to include additional property within the vicinity. Mr. Berkich responded by explaining the reasons for discussing only the one parcel at this time. The Authority could decide at a future date to expand the boundaries. Chairperson Osborne indicated that this had been the text of the public comments--the eventual loss of the entire Fuji Park and Fairgrounds area. Member Bennett expressed her support for the concept as it would provide the highest and best use of the parcel based on today's conditions. Mr. Forsberg pointed out that the parcel is presently unused and undeveloped, therefore, it fell within the redevelopment description. The other parcels have not been evaluated.

Member Masayko requested his comments be made a part of the record and hoped that they provoked some thought. First, he wished to make it clear that he wanted Carson City to succeed in locating Costco in Carson City. He would support a reasonable approach which complies with the spirit of the law and protects the public interest--

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both the taxpayers and the Fuji Park users including their interest and utilization. The use of the redevelopment law and process, for example, the satellite, non-contiguous parcel of underdeveloped and vacant property, which did not look like a Helm's pit but was a dirt parking lot, is a serious concern to him. He did not believe that it is consistent with the spirit of the Redevelopment objectives or the statutes. He understood Douglas County and Spark's creativity in using the Redevelopment law. That does not make it 100 percent right for them or Carson City. It is a matter of the citizens having confidence in the actions and approach that the Authority takes and not in our best interest but in their best interest. Another item is with the creditability of the folks who make those laws--the State legislature. They are, perhaps, going to have some reactions. There have already had some reactions about the use of Redevelopment Statutes for creative solutions to issues. There is a chance for some potential legislation which may limit some of those actions. In his mind this is economic development. If we need the economic development tools to do this type of thing, we should have the foresight and fortitude to seek the appropriate legislative ability to do so. He understood the desire and the need to move rapidly to secure the site for this particular purpose but had a problem using this particular process as it removes the sale or the lease of this taxpayer owned land from a full public view process. He understood the statutes on the disposal of property and was cognizant of their requirements as they had been used in the Northgate situation. That process had been open with public participation provided beginning with the development of terms and conditions and ending with the bidding and award. Although such a process may not work in this case, it is available and, at least in his mind, is the only approach which he was really comfortable doing. Once its done for Redevelopment, there will be some consequences. Two consequences which concerned him the most are the proceeds of the sale and the tax increment. The proceeds from the sale stay, according to the law, with the Redevelopment Authority as does the property tax increment. The Carson City Schools are on the tax roles. Out of the \$2.51 rate, 49 percent of it is for school operations and bonds. If this is an \$8 million incremental project, there will be over \$70,000 in annual property taxes of which \$35,000 would end up in the school coffers. The Redevelopment process does not allow this to happen. He suggested that the Redevelopment Authority mitigate these concerns. He agreed that it could be a serious and far reaching precedent. He was not one of the herd that says this is a great tool to be used and it could be hopped all over town. A third concern is the use of park property. The plan to address the future of this entire facility requires a master plan concept. He had watched the Park and Recreation Commission proceeding last night on CATF. As the change is a master plan type of issue, it should not be done incrementally. If that land is going to become that valuable, there should be a public approach, a hearing, and a decision which says let's do it correctly for the entire parcel. Let's make sure that the people of Carson City are not short-changed as far as whatever Fuji Park lands will become in the future. The use of the sales money, as had been mentioned before, the plans to relocate the park were issues which the Parks and Recreation Commission had discussed including the plan to remodel the existing facility to makeup for the loss of the parking area and most importantly to look at what the deeds of the Fuji Park land and its highest and best use concept. He looked at it as a public process and urged the representatives from Costco, if this goes forward, and the Board to support his requests. He hoped that Costco would move forward rapidly to make its commitment, to make a corporate and public commitment to purchase this property to assure that we are not going to get into any protracted bidding situation. If this occurred, it would help him develop a comfort level. To the extent possible, the sale or lease at whatever terms are attached to Costco or anyone else should occur in full public view. He urged consideration of a method, which may have to be found/developed, that would allow a pass through of the tax revenue to the School District, otherwise it will be zero sum gain for it. Those dollars which will enrich the Redevelopment District at the expense of the School District. We should not do that. This is one of the consequences of the using the Redevelopment law. We definitely need to commit to mitigate the loss of the park land at Fuji. The City should move rapidly on it with/without the master plan review. We also, as the Redevelopment Authority, need to hold the sales dollars for Fuji purposes only. His proposal is even tougher than the Parks and Recreation Commission had indicated, as the sale proceeds should be directed to mitigating/replacing or doing whatever is necessary which the public wishes to see there due to the potential loss of the facility and its uses. It really does not, in his opinion, need to be used to enrich the Redevelopment District regardless of how you rationalize the other uses for the money. Great ideas come when you have a lot of money. Secondly, we need to quickly develop the master plan to, perhaps, replace Fuji Park with another totally new site. This concept probably needs public debate and discussion. Suggested sites included east of the golf course, Deer Run Road area, the Silver Saddle Ranch. We should make sure that we have the resources to accomplish this as quickly as possible while we move forward with the process. This is a serious step and it will have some significant impacts on the future land use patterns and park use patterns for the community. This is the subject of his soliloquy. He emphasized his desire to be sure that his concerns about the process are known and that he was not trying to harangue or demagogue the thing/process. He could support it in

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its present concept and be somewhat appeased if some of his issues are addressed or handled by the Redevelopment Authority. He was unsure how that would occur or the amount of flexibility required to accomplish it but hoped that it is there. If it is not there, he would be awfully, awfully disappointed. He urged the Authority to see what could be done to ease these concerns. This may, at least, turn the proposal into a win for the people of Carson City on both sides due to the loss of the park grounds, including the School District, the park users, Fuji Park, as well as for Recreation itself.

Member Livermore responded by explaining his view of the Board's role as being to provide for the well-being of the Carson City residents. This requires resources and tax dollars. Forty-five percent of the annual budget is comprised of sale taxes which this Board does not generate. The State of Nevada controls the sales tax laws and distribution. Competition in business drives the revenue. It determines the number and type of stores necessary for a community. Growth beyond the county line has placed Carson City in a competitive position with sister counties. A process has not yet been developed which would allow the sharing of revenue. A study of the benefits and losses which would be created by the proposal or its failure to materialize supports the need for economic development. He volunteered to dedicate his assistance toward working with others to find the best site for the relocation of Fuji Park if the Authority so desires. The City has seen two months of decreased sale taxes which were felt to be created by the location of two major retailers just across the City line. The loss of Costco would increase this leakage and create an even larger shortfall in revenue for the community. He questioned how the City could makeup for this loss. The proposed concept provides for the best use of the property. He agreed that it is economic development but it is also redevelopment. If the development does not occur, he was certain that in two years the Board would be forced to determine what and how to reduce services or the when and how to increase taxes. Public participation has and will be allowed. The window of opportunity is rapidly closing and the Board should act quickly to seize the moment. The issues which have been raised can be addressed in the future.

Member Plank supported Member Livermore's comments and indicated that the Parks and Recreation Commission had addressed some of his concerns in its recommendations. The Commission had recommended that 100 percent of the sales proceeds be returned to Parks and Recreation and that mitigation occur within the coming year to reduce the impact on the current park users. He agreed that the window of opportunity is small and is closing fast. He also felt that the entire area needed to be considered for inclusion in the Redevelopment District. He committed to working as a member of the Commission to promote and address the potential impacts on the current park users.

Member Bennett pointed out that the Authority could not address these side issues. She suggested that the motion include or a second one be made which would direct the City Manager to put together a group of individuals impacted by the concept who would make recommendations to the Authority. As the sale/lease had not occurred, it may be that the discussions are getting the "cart before the horse". She understood the concerns and need to raise the issues at this point, however, this should occur at the task force meetings. Chairperson Williamson supported this approach. Chief Deputy District Attorney Forsberg and Deputy District Attorney opined that discussion regarding these issues which had been raised could occur under the agendaized heading. Deputy District Attorney Rombardo reiterated the sale process which involves the Authority's action and allows the Board to consider/convey the property to the Authority. The sale proceeds are allocated to the Authority, however, the conveyance could be conditioned requiring the funds to be allocated to the Board of Supervisors. He did not see how the property taxes could be allocated to any entity except the Redevelopment Authority. Chairperson Williamson felt that if the Board desired, the legislature could be approached regarding the school issue. She reminded the Board that the Library is within the District and also needs support.

(2-2748) Jay Meierdierck explained his involvement with the Fuji Park master plan. The park users who had helped development the plan have since changed. The current users and their concerns should be considered. A different freeway concept and access concepts had been developed. He felt that the users who had participated in the Commission's decision had supported the proposal based on the feeling that there is a higher and better use for the site, however, they are using a valuable asset and should have it replaced. He urged the Authority to return any proceeds to Parks and that this action be "cast in cement".

Mary Fischer suggested that the area be placed in the District for a short period of time. If the sale/lease does not materialized within that period, it should be returned. As the President of GROW she was well aware of the need

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for maintaining the City's landscaping. Discussion at the Commission meeting had indicated that the arena is not being maintained. She recommended a portion of the sales taxes be used for maintaining all City parks. These funds should not replace the current General Fund support but could be used as matching funds.

Vern Horton indicated he was speaking as a private citizen and a resident of Carson City. The sales tax revenue currently supports Parks and Recreation through the Open Space initiative and should increase as a result of the proposed use. The purpose of the Redevelopment District and its funding were described. The revenue generated by the sale and from taxes will benefit the entire community if the downtown area becomes economic viable. This could compound the value of the revenue generated by the sale. He also cautioned that the City has a limited amount of land available for development. Its use should be carefully studied to assure that the best and highest possible use is proposed. This also impacts the community's economic viability in the future. The appropriate atmosphere required to attract such highest and best uses should be developed. He felt that the decision made today would have repercussions on future growth.

Karson Kruzers President Jack Anderson explained the Karson Kruzers' survey of its show participants and its results. He felt that if the area is sold, the park will eventually be sold. If his events are lost for one year, they will not be back. He urged the Board to immediately being looking for a site where Fuji Park can be relocated if the sale occurs.

School Superintendent Jim Perry welcomed Costco. Chairperson Williamson explained for him that the property taxes would be allocated to the Redevelopment Authority. Superintendent Perry requested an opportunity to be involved in the future discussions. Member Plank indicated his and Member Masayko's intent to work with the Legislature to develop enabling legislation which would allow the transfer of a share of the funds to the School District. Chairperson Williamson then explained her understanding of the tax allocation process which may not automatically mean an increase in the City/School District's revenue. Superintendent Perry agreed that the revenue is offset. Mr. Joiner further limned the tax laws. Superintendent Perry then indicated that the State receives 2.5 cents of the sales tax for schools. The local schools do not receive any of these funds. Member Masayko then explained his concern about the loss of the 75 cent ad valorem rate which the School District receives for its operations and maintenance. There is also a 47 cent rate which is used to retire School bonds. Member Bennett felt that a percentage of the sales tax goes to the local School District.

Mike Drews indicated that he was speaking as a private citizen. Previous Redevelopment improvements have been within the Historic District as indicated by his examples. The funds should be used to continue this program. He felt certain that without Costco or another major economic developer, the property taxes would be increased to meet the community's continued service requirements. He urged the Authority to support Community Development's request.

William Kugler felt that adequate information had not been provided to make a decision. He then explained that he owns Clear Creek water rights. He questioned the impact the store would have on the park and its users. The process is going to quickly. More time should be taken to study all of the issues. Fear tactics were being used to force the City to grant unnecessary concessions. The proposal would prohibit expansion of Fuji Park in the future. The resolution should include relocation of the park and committing the sale proceeds for this purpose. Discussion between Mr. Kugler and Mr. Berkich indicated that discussion had not occurred on the infrastructure and traffic control requirements/funding. Mr. Kugler continued to iterate his feelings concerning Costco's desire to obtain the property as quickly as possible to avoid street improvements, infrastructure requirements, etc.

Jay Dargert supported allocating the funds for another park. The facilities currently at the park should be reconstructed. Costco would be the beginning of encroachment on the park and its users. He urged the Board to sell the entire park and construct a new facility posthaste.

Builders Association of Western Nevada Representative Ron Kipp supported the proposal. It would provide a wonderful opportunity for the community to capture the traffic flow on the freeway. The water and sewer infrastructures were already in Clear Creek Road. The signal costs would be quickly offset by the sales and property taxes generated by the firm. He did not understand how the school's property taxes would be impact as the parcel does not currently generate any revenue. He urged the Board to consider the community's future and

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how to pay for it. A large corporation, like Costco, will support such plans. Unless the City welcomes Costco, it will go to Douglas County leaving Carson City with the traffic.

Larry Green felt that the process was premature and supported Member Masayko's comments. He urged the City to take more time to investigate the plan. Moving too quickly may be detrimental to the community. The drainage problem in Voltaire needed to be resolved. It had purportedly stopped Target and Home Depot from locating in Carson City. (3-0022) Mr. Berkich agreed that the property they had considered was very difficult and expensive to develop. Mr. Green suggested that a bond issue be used to provide the drainage for that site. Mr. Berkich indicated that the Storm Drainage Committee is working on this issue. Mr. Green had allegedly been told that the sale price for the parcel was \$5 per lot. He questioned why the value was not \$24 a foot as had been paid for another parcel in the vicinity. Chairperson Williamson explained the Statute mandating an appraisal. The \$24 sale was the result of a jury award and, therefore, could not be used. Mr. Green felt that this price should be used as the starting point. He suggested that Board approve the sale through the bid process and accept letters of intent so that a determination of the amount which the corporations wish to spend can be determined. He did not feel that it should be "blindly" turned over to Redevelopment as it could not redistribute the sale proceeds and revenue as indicated.

Kurt Brown supported having a Costco located in Carson City as it would attract many individuals to the community. They will support our programs and activities. Additional public comments were solicited but none given.

Member Bennett moved that the Redevelopment Authority recommend to the Board of Supervisors an amendment to the Redevelopment Authority plan by adding real property located at 700 Clear Creek Road, Carson City, Nevada, APN 9-302-05, also known as the north parking lot at Fuji Park, to the existing Redevelopment area pursuant to NRS 279.608, and other matters properly related thereto. Member Livermore seconded the motion. Following a request for an amendment, Member Bennett amended her motion to include Resolution No. 1999-RAR-4. Member Livermore concurred. Member Masayko noted that the copy of the resolution included in the packets contained the wrong signature line. Ms. McLaughlin indicated that she had a corrected original. The motion to adopt the resolution as indicated was voted and carried 4-1 with Member Masayko voting Naye.

Member Bennett then requested consideration of giving the City Manager direction to convene a task force of the effected stakeholders and to begin having discussions so that as we moved forward we are assured that all of the issues and voices involved in the process are heard and considered and for him to return with a reasonable recommendation. Her clarification indicated that this process is to include other issues as well as those related to the proceeds. Justification for establishing the ad hoc committee was provided. Discussion indicated that her request had not been agendized. There will be additional hearings on the proposal and it may not be necessary to have an ad hoc committee established for this purpose as several of the issues will be considered in Authority/Board meetings. Chairperson Williamson indicated that the Board of Supervisors could consider her request when the sale/transfer is considered. No formal action was taken on her request.

B. ACTION REGARDING CARSON CITY FARMERS MARKET AT THE PONY EXPRESS PAVILION - REVIEW OF THE 1999 SEASON, A REQUEST FOR FUNDING FOR THE 2000 FARMERS MARKET SEASON FOR ENTERTAINMENT AND CLEAN-UP ONLY IN AN AMOUNT NOT TO EXCEED \$4,320 (3-0171) - Mr. Joiner's introduction included the reducing the funding request for this year to \$2500. Discussion felt the function served more than the Redevelopment District and suggested that funding be requested from the Board of Supervisors. The facility is donated. Mr. Joiner hoped that this would continue. Shirley Adshade-Sponsler explained her feeling that the event could be a resource for the City which would justify the Authority/Board's continued sponsorship. The turnout had been as much if not more than had occurred in the downtown area. New plans for the event and the "gleaning program" which helped FISH were described. Additional promotional activities for the downtown area were limned. Member Bennett complimented her on her efforts. Benefits of the facility were noted. Member Bennett voiced her support for the reduced funding with the understanding that the following year funding would not be requested. Member Livermore complimented her on her ability to use the pavilion which had not been successfully utilized in spite of the City and Convention and Visitors Bureau's various efforts. His personal attendance at the markets was described. He also expressed a

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willingness to support the request for this year. Ms. Adshade-Sponsler thanked the Board for the compliments and its support. Other plans she had for the market for next year were highlighted. The number of farmers who had participated were limned. The market helps small businesses in the vicinity. Member Bennett suggested that a vendor sell picnic dinners which could be eaten in the park. Ms. Adshade-Sponsler felt that if the customer base increases substantially to support a restaurant, she would consider having one. She felt that the merchandise was available for the customers to create a picnic. She suggested that the downtown restaurants use the market to advertise their meals and attract customers to their establishments. Member Plank moved that the Redevelopment Authority approve the Carson City Farmers Market at the Pony Express Pavilion for 2000 and the cost of entertainment and clean-up in an amount not to exceed \$2,500. Members Livermore and Masayko seconded the motion. Motion carried 5-0.

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

The Minutes of the December 16, 1999, Carson City Redevelopment Authority meeting

ARE SO APPROVED ON__March_2____,

2000.

_____/s/_____

Robin Williamson, Chairperson

ATTEST:

_____/s/_____
Alan Glover, Clerk-Recorder