

March 3, 2021

Mrs. Mayor Bagwell
Mr. Lee Plemel – Community Development
Mr. Dan Stucky – Public Works
All Board of Supervisors

RE: PROPOSED SOUTH CARSON STREET NEIGHBORHOOD IMPROVEMENT DISTRICT (NID)

To Whom It May Concern:

As vital partners in the South Carson Street corridor, we found it extremely important to issue an official comment from those businesses owned and operated by the Campagni Auto Group, including Carson City Toyota located at 2590 S Carson Street and Capital Ford located at 3660 S. Carson Street. While these two locations are our main business addresses, according to the proposal, we would be responsible for assessments for 5 parcels, as indicated below:

The proposed rates per dealership are:

Toyota: 2590 S. Carson St.	\$2529.00 (main Toyota dealership property)
Toyota: 2443 S. Curry St.	\$ 218.00 (simple storage lot located behind Wells Fargo off Rhodes Street)
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Toyota Total Assessment	\$2747.00
Ford CPO: 3550 S. Carson St.	\$1146.00 (smaller Ford building now called CPO)
Ford Main: 3660 S. Carson St.	\$1312.00 (main Ford dealership property)
Ford back corner:	\$ 203.00 (back corner of property where it connects Koontz to Curry)
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Ford Total Assessment	\$2661.00

Group total Annual Assessment would be \$5408.00.

In the correspondence provided to us, dated February 23, 2021 from the Community Development Director and the Deputy Public Works Director, it indicates that there was a 1/8 percent sales tax enacted in 2014 to help fund improvements in the City's primary commercial corridors, including the South Carson Street project. That approved Plan of Expenditure for the sales tax included a provision that an assessment district would be formed as part of each corridor project to contribute funding annually to the city to provide for "routine maintenance" required for the corridors such as cleaning sidewalks, maintaining landscaping, servicing trash receptacles, etc. After a paragraph or two of how this is supposed to benefit us, it says that each corridor segment will be improved by: (1) enhancing business access; (2) increasing safety through lighting and roadway improvements; (3) improving pedestrian access and connectivity; (4) adding bike lanes; and (5) enhancing aesthetics through parkway landscaping and streetscape improvements all to increase the "City's" economic vitality.

While you are determining why and if assessments should be made on us again, we ask that you listen to our concerns and hear us loud and clear.

1. The 1/8 sales tax assessment should cover these fees, not more tax assessments to the property owners. If this was to be the case, maybe it needs to go back to the voting majority to determine if this is fair or not.
2. Almost all of the visual improvements were completed on the east side of South Carson Street and virtually no esthetic or maintainable upgrades or changes were done to the West side of the street, yet the majority of the businesses are located on the West side.
3. What is “Routine Maintenance?” We can read in the following lines where you state it as:
 - a. Cleaning sidewalks: We were required to build, ADA accessible sidewalks and business entrances, when we built our Carson City Toyota property. As you know this was done at our expense and we were mandated to pay prevailing wage (highest dollar possible). We are responsible for the cleaning and maintenance of our sidewalks and legally have always been. Are you now taking over that expense from us to help off-set the cost of maintenance, including sweeping and washing regularly, especially after snow and bad weather? Including after the city’s snowplows cover the sidewalks in snow and muck, making it virtually impossible to clear quickly?
 - b. Maintaining Landscaping: When we built and since, we have continued to beautify our own businesses with landscaping. In fact, we were mandated by the city to put in landscaping appropriate to their plans for the downtown South Carson Street area. They made us put in a certain number of plants and trees and bushes etc., regardless, if they were counter-productive to dealership operations or not. As you know trees and car dealerships do not get along. But we found a way to make it work and satisfy those in charge, again at our cost. We have maintained them and continue to maintain them daily, at our cost. We would argue that the entrances to our dealerships are some of the most presentable and inviting in this city.
 - c. Servicing trash receptacles: While for a city to have trash receptacles that people riding their bikes and walking could potentially use, is a great idea and fits within a downtown city plan. You forget that we are not in the downtown corridor and any such trash receptacles would only be used, maybe by the new bicycle/walking corridor lanes you installed. Not by businesses or people that would be coming into or out of any of our businesses by vehicle. And, to qualify matters on this issue, we took a tour of South Carson Street from Fairview to Koontz and we did not notice any “City” placed trash receptacles. We assume that if any are “to be installed” that they will be located on the bicycle/pedestrian pathways and again not something to assist businesses. Also those pathways are on the East side of the street, not benefitting business on the West.
 - d. One of the design enhancements were to improve business access: As stated earlier, we have had to pay for our own business access. This was done, without any assistance and the costs were done at top dollar. We understand that some businesses had the privilege of getting sidewalks and business entrances redesigned and installed for them, during this construction project. Again, not us, as we had already paid for ours to be done.

- e. Increasing Safety through Lighting and Roadway Improvements: That's wonderful, but truthfully, our dealership locations did not get any of these enhancements. In fact not only that, but we were mandated to put in a street light and traffic rated pole to light South Carson Street in front of our 2590 S Carson Street property and one to the side of our 3550 South Carson Street property and have it overhang the roadway. We have to pay the monthly bill on it, to run from sunset to sunrise 365 days a year and had to pay to wire it all the way back to our breaker boxes within our buildings. This was another requirement that we had to follow to be able to build. It is also something we get reminded of each month when we pay our power bills. We will, however, give out some kudo's to the construction team at SNC as the roadway getting a makeover, does look nice and we do like being able to turn left or right out of most of our properties now.
- f. Adding bike lanes: Of course, this is a win for the city and for all of us as residents. But that is why we pay taxes as citizens, not as business property owners. Please think about this...how many times have our customers rode their bikes into our dealerships to buy a car. I would bet that the answer is zero. We are vehicle dealerships and while bike lanes are beautiful and safe for bike riders, they do not help the automotive selling functions of a dealership, whatsoever. One could even argue against it as a competition, but we would not do that. It just is not right for us to have to pay to maintain bike lanes.
- g. Lastly, the old catchall of Enhancing aesthetics through parkway landscaping and streetscape improvements: We really are not sure what this is, as you have already mentioned landscaping, already mentioned bike lanes and pathways and sidewalks and lighting. But I assure you there are not such improvements that are part and parcel for our dealership properties.

Now we would also like to discuss these exact parcels in the assessment:

2590 S. Carson St.: This property, as mentioned, is the property known as Carson City Toyota. It was obtained through an agreement with the city and the state, when the state still owned the highway, now known as South Carson Street. We were promised ownership of this property (at no cost) by the state, prior to it reverting to the city. Our former mayor and previous two city managers were aware of this verbal agreement. Then, somewhere in the relinquishment of the property from the state to the city, this was forgotten or not completed. Now our landlords are Carson City, as they legally have acquired the property. While they report that we are not charged for a small portion of the landscape area, we are fully charged for the majority of the entire frontal of the Carson City Toyota dealership annually. Our desire is to someday become owners of this property, but as it stands now and as it relates to this assessment, we would like a calculation done to determine if the frontage figures are offset and if the city pays the NID Assessment, since they are the legal frontage property owners.

2443 S. Curry St.: We believe this property is the property located behind WellsFargo that is a vacant, mostly asphalted storage lot. While it is useable for us to store extra vehicles on, we have no idea why it would be assessed and included in any calculations for South Carson Street Neighborhood Improvement District calculations. Zero enhancements have been done effecting this parcel.

3550 S. Carson St.: This property is now our Certified Pre-Owned dealership adjacent to the main Ford store. This property did not receive any of the enhancements as described. It is also included in the concern that we have for frontage ownership and assessment, as the frontage is also owned by the city and leased by Capital Ford.

3660 S. Carson St.: This is our main Capital Ford dealership and sits at the corner of South Carson Street and Koontz Lane. During our latest remodel, we paid to have our entrances enhanced and accessible for our customers and our dealership at our expense. We asked the state to remove and clean-up the sidewalks and make them uniform, like we had to pay for at the Carson City Toyota dealership, a few blocks North. They did not agree to this and said they thought it would be addressed by the South Carson Street construction project, that is just completing, which is causing this NID issue. If you look at this area, you will see that the city also chose not to re-due these sidewalks and they remain old. Again, bringing it back to the point that these so-called business access enhancements, did not happen to all of us, but we are all being asked to pay for them at a high dollar figure. In addition, this property sits within the city's frontage ownership as well, and we ask the same questions here, as to proper NID assessments and who is responsible for paying them.

Corner of South Curry Street & Koontz Lane: This property is the Ford parking lot back corner. Prior, it used to be a lot larger, but the city took a large portion of the property to enhance Curry Street, some years ago. We did get some trade-off, as for exchange of us providing them with the property, they gave us sidewalks to line the back of our dealership along the entire Curry Street section. It did enhance that area, but is not and never has been part of the South Carson Street Neighborhood Improvement District. For some reason, it is included in the assessment for us to pay annually for. This also makes no sense to us.

As you know, we car dealerships put a lot of money into the city's budget, in fact we would argue that our dealerships alone, make up some of the largest sales tax deposits in the city. Rarely, do we ask for anything in return. Our Philanthropic endeavors are also a backbone and bloodline for many in this city. We do that without question and without regard to all of the local and state legislative roadblocks against us. We do it for our employees, for the citizens of this community and for our customers. When assessments keep getting lodged against us, for things that we get little to no say about, one can only guess for how long we as dedicated businesses of this city will keep functioning and participating at this high of capacity. Maybe it is time to think outside the box and come up with a solution that does not step on us again and again and again and then leave us with a reminder every time we right the check to you.

Respectfully submitted;

Richard N. Campagni

Richard Campagni and staff