



## STAFF REPORT

**Report To:** Board of Supervisors                      **Meeting Date:** April 1, 2021

**Staff Contact:** Darren Schulz, Public Works Director

**Agenda Title:** For Possible Action: Discussion and possible action regarding a business impact statement concerning a proposed license fee methodology to be applied city-wide for license agreements executed within the City's rights-of-way. (Dan Stucky, Dstucky@carson.org and Robert Nellis, RNellis@carson.org)

Staff Summary: NRS 237.080 requires that Carson City prepare a business impact statement when a new ordinance or a new rule that imposes a fee that is paid by businesses is proposed. This business impact statement concerns a proposed license fee methodology that will be applied city-wide to any license executed with a business that encroaches into the City's rights-of-way for business purposes. The proposed business impact statement finds that the proposed license agreement and license fee methodology will not impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business.

**Agenda Action:** Formal Action / Motion                      **Time Requested:** 5 minutes

### **Proposed Motion**

I move to approve the business impact statement as presented.

### **Board's Strategic Goal**

Economic Development

### **Previous Action**

March 4, 2021 - Board of Supervisors approved a license agreement template with modifications to be presented at the April 15, 2021 Board of Supervisors meeting and a license fee methodology, which is proposed to be a per square foot charge calculated by multiplying 50 percent of the assessor's taxable value per square foot of the adjoining owner's parcel(s) multiplied by the prime interest rate plus two percent, to be utilized for granting licenses for use of the City's rights-of-way for purposes other than landscaping, sidewalks, ingress and egress, and authorization for the City Engineer or designee to execute license agreements with adjacent property owners and adjust the license fee in accordance with the approved license fee methodology.

### **Background/Issues & Analysis**

In October 2018, in conjunction with the South Carson Street project, the Board of Supervisors accepted certain rights-of-way (ROW) from the Nevada Department of Transportation (NDOT) along South Carson Street. Much of the ROW is outside of the active roadway prism for South Carson Street, and NDOT had previously leased or licensed the use of the unused ROW to adjacent property owners. The Board of Supervisors previously directed City staff to develop a license agreement and a methodology for charging license fees to do the same. Accordingly, City staff has developed a license agreement and license fee

methodology. Based on the above, staff requests that the Board of Supervisors find that the proposed license fee methodology does not impose a direct and significant economic burden on businesses or directly restrict the formation, operation, or expansion of a business.

Direct mailings to the Carson City Area Chamber of Commerce and property owners on South Carson Street that adjoin City-owned parcels within the right-of-way were distributed on March 1, 2021.

A copy of the Business Impact Statement, along with the appeal petition form, is available at the public counter of the Public Works Department, 3505 Butti Way, Carson City, Nevada.

**Applicable Statute, Code, Policy, Rule or Regulation**

NRS Chapter 237 (Business Impact Statements)

**Financial Information**

**Is there a fiscal impact?** No

**If yes, account name/number:** N/A

**Is it currently budgeted?** No

**Explanation of Fiscal Impact:** N/A

**Alternatives**

Do not approve the business impact statement and provide a modified motion or alternate direction to staff.

**Attachments:**

[ROW BIS final.pdf](#)

[ROW License BIS Letter - No Prior Letter.docx](#)

[NID letter to city.docx](#)

[McDonald's 3905 S Carson St., Carson City, NV..pdf](#)

**Board Action Taken:**

Motion: _____	1) _____	Aye/Nay
	2) _____	_____
		_____
		_____
		_____

\_\_\_\_\_  
(Vote Recorded By)



# BUSINESS IMPACT STATEMENT

This Business Impact Statement was prepared in accordance with the provisions of NRS (Nevada Revised Statutes) 237.030 to 237.150, inclusive, as a statutory prerequisite to the adoption of any rule\*\*\*, as that term is defined in NRS 237.060, by the Carson City Board of Supervisors.

\*\*\* A "rule" may include an ordinance, or an action taken by the Board, that imposes, increases or changes the basis for the calculation of a fee which is paid in whole or in substantial part by businesses. A "rule" **does not** include actions that impose, increase or change the basis for the calculation of: (1) special assessments imposed pursuant to NRS chapter 271; (2) impact fees imposed pursuant to NRS chapter 278B; (3) fees for remediation imposed pursuant to NRS chapter 540A; (4) taxes ad valorem; (5) sales and use taxes; or (6) a fee that has been negotiated pursuant to a contract between a business and Carson City. A "rule" also **does not** include: an action taken by the Board that approves, amends or augments the annual budget of Carson City; an ordinance adopted by the Board pursuant to a provision of NRS chapter 271, 271A, 278, 278A, 278B or 350; an ordinance adopted or action taken by the Board that authorizes or relates to the issuance of bonds or other evidence of debt of Carson City; or any rule for which Carson City does not have the authority to consider less stringent alternatives, including, for example, a rule that Carson City is required to adopt pursuant to a federal or state statute or regulation or to a contract into which Carson City has entered.

## ORDINANCE OR ACTION PROPOSED FOR ADOPTION

The following ordinances and policies are proposed for adoption:

**1. A fee methodology for licensing right-of-way owned by the City to adjacent landowners.**

1. *The manner in which notice was provided to the applicable trade associations and officers of businesses likely to be affected by the proposed ordinance or action, and a summary of any data, arguments or comments received from those recipients:*

a. Notice

**On October 18, 2018, the Board of Supervisors adopted resolutions consenting to relinquishments and land transfer agreements between Carson City and the Nevada Department of Transportation, including certain right-of-way along South Carson Street. Through this relinquishment Carson City took ownership of right-of-way along South Carson Street extending from the northerly right-of-way line of IR-580 to the southerly right-of-way line of Fairview Drive. Through the transfer of ownership, Carson City owns some portions of the South Carson Street right-of-way in fee simple and owns others as easements. Much of the right-of-way is located outside of the active roadway prism ("surplus" right-of-way) and is utilized by adjacent commercial property owners for, among other things, parking or landscape areas.**

**On March 19, 2020, the Board of Supervisors directed staff to bring back a future agenda item to discuss the disposition of the South Carson Street surplus right-of-way or “NDOT” parcels along the corridor to see how the disposition of those properties would factor into the South Carson Neighborhood Improvement District.**

**On August 20, 2020, the Board of Supervisors directed staff to manage surplus right-of-way along South Carson Street by focusing on the licensing option for the surplus properties. Specifically, the Board directed staff to develop a license agreement template along with a proposed license fee methodology that may be applied to similar encroachments citywide, and to bring back a future agenda item on the template and methodology for consideration and approval at a future Board of Supervisors' meeting. Since the meeting, staff has created a draft license agreement template for the Board of Supervisors' consideration. Encroachment permits have been granted to the affected property owners pending the Board of Supervisors' direction on licensing agreements.**

**On March 4, 2021, the proposed license agreement and license fee methodology was presented to the Board of Supervisors. The Board of Supervisors requested edits to the license agreement and directed staff to bring back a future agenda item concerning the license agreement and fee methodology.**

**In order to meet the requirements of NRS 237.080, on March 1, 2021, direct mailings were sent to the Carson City Area Chamber of Commerce and the owners of property along South Carson street. The mailers explained the planned licensing of surplus right-of-way in the City and explained the proposed license fee methodology; which is that 50% of the Assessor's Taxable Value of the adjoining owner's parcel(s) land value is divided by the adjoining parcel's square footage to obtain 50% of the Assessor's Taxable Value per square foot (SF). The 50% of the Assessor's Taxable Value per square foot is then multiplied by the prime interest rate as of January of each year + 2% pursuant to NRS 99.040(1), which equals 5.25% as of January 2021. This results in an annual fee per square foot, which is then multiplied by the square footage of the area to be licensed.**

**For example, the average current Assessor's Taxable Value per SF of many parcels along South Carson Street is approximately \$11.40.  $\$11.40 * 50\% = \$5.70$  per square foot. The prime interest rate as of January 2021 plus 2% is 5.25%, which is multiplied by \$5.70 per square foot to equal an annual charge of 30 cents (\$0.30) per SF. This calculation would be performed individually for every license to take into account the specific Assessor's Taxable Value of the licensee's property.**

**After explaining the fee methodology, it was requested that any data or arguments as to whether the proposed fee will impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business be provided to Carson City by March 23, 2021.**

**A copy of this Business Impact Statement, along with the appeal petition form, is available at the Carson City Public Works Department, 3505 Butti Way, Carson City, Nevada, 89701. A copy of the appeal petition form can also be obtained at the Carson City Clerk/Recorder's office.**

*b. Summary of comments*

**A letter was received on March 3, 2021, primarily addressing the proposed South Carson Street Neighborhood Improvement District, but also addressing the licensing of the right-of-way along South Carson Street. The Board of Supervisors has considered this letter.**

**Carson City received one other email comment in response to the notice to the Chamber of Commerce and the owners of property along South Carson street. The comment agreed that there would not be any adverse impact or economic burden on businesses.**

*2. The estimated economic effect of the proposed ordinance or rule on businesses, including both adverse and beneficial effects, and both direct and indirect effects:*

*a. Adverse effects:*

**Property owners along City streets with surplus right-of-way will be charged an annual license fee to use City right-of-way. Landscaping, sidewalks, ingress, and egress will not be included in the license and will be covered by an encroachment permit.**

*b. Beneficial effects:*

**Implementing the license fee and agreement will allow the City to charge for adjacent property owner's use of City right-of-way, will allow the adjacent property owners to use City right-of-way; and will allow the City to protect its interests for adjacent property owners use of the right-of-way.**

*c. Direct effects:*

**If approved, property owners adjacent to surplus City right-of-way may enter into a license agreement with the City for the use of the right-of-way and will be charged a license fee for use of the right-of-way. Landscaping,**

**sidewalks, ingress, and egress will not be included in the license and will be covered by an encroachment permit.**

*d. Indirect effects:*

**Through the License Agreement, the City's and the adjacent property owners' rights and obligations will be clarified.**

3. *The methods considered by the Carson City Board of Supervisors to reduce the impact of the proposed ordinance or action on businesses and whether any of those methods were used:*

**The Board of Supervisors considered other methods of disposal of the surplus right-of-way, including selling or giving the right-of-way to the adjacent land owners, but decided to license the surplus right-of-way for consistency in the approach and to reserve the surplus right-of-way in case it is needed at a later date. Moreover, adjacent property owners are not required to pay a license fee if they turn the surplus right-of-way into landscaping, sidewalk, ingress, or egress.**

4. *Estimate of the annual cost to Carson City for enforcement of the proposed ordinance or action:*

**Unknown. If all property owners pay the license fee, there will be no enforcement of the license agreement.**

5. *The total annual amount of money expected to be collected as a result of the new fee or increase in fee proposed by the ordinance or action, and the manner in which the money will be used:*

**Preliminary estimates are that Carson City may receive approximately \$55,000 in license fees.**

6. *The proposed ordinance or action [ ] DOES [ X ] DOES NOT include any provisions which duplicate or are more stringent than Federal, State or local standards regulating the same activity.*

7. *The reasons for the conclusions regarding the impact of the proposed ordinance or action:*

**While adjacent property owners using the City right-of-way for driveways, drive-throughs, or parking will be charged a license fee, the City has tried to make the license fee comparable to similar strips of land on which no buildings can be built. Property owners not wanting to pay a license fee can change their use of the right-of-way into landscaping, sidewalks, ingress, and egress, which are governed by an encroachment permit.**

In addition, the City has not received any feedback that the proposed license fee methodology will constitute a significant economic burden upon Carson City businesses or will restrict the formation, operation, or expansion of any businesses.

8. Based on the information considered, it has been determined that this proposed ordinance or rule:

DOES  DOES NOT impose a direct and significant economic burden upon a business.

DOES  DOES NOT directly restrict the formation, operation or expansion of a business.

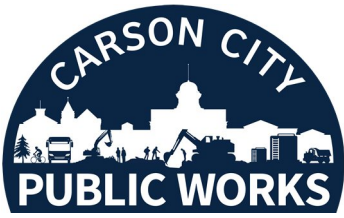
Pursuant to NRS 237.090(3), this Business Impact Statement was prepared and made available for public inspection by Carson City Public Works at the time the agenda notice on which the proposed ordinance or rule described in this statement is included was posted.

Pursuant to NRS 237.090(2), I, Nancy Paulson, the City Manager of Carson City, hereby certify that to the best of my knowledge and belief the information contained herein was properly prepared and is accurate.

Nancy Paulson  
Signature

3/24/21  
Date

Nancy Paulson  
Printed Name



CARSON CITY NEVADA  
Consolidated Municipality and State Capital  
PUBLIC WORKS

March 1, 2021

Ms. Ronni Hannaman  
Carson City Area Chamber of Commerce  
1900 South Carson Street, Suite 200  
Carson City, NV 89701

Re: Proposed license fee methodology for licensing Carson City Right-of-Way to adjacent property owners

Dear Ms. Hannaman:

In October 2018, in conjunction with the South Carson Street project, the Board of Supervisors accepted certain right-of-way (ROW) from the Nevada Department of Transportation (NDOT) along South Carson Street. Much of the ROW is outside of the active roadway prism for South Carson Street, and NDOT had previously leased or licensed the use of the unused ROW to adjacent property owners. The Board of Supervisors previously directed that Carson City developed a license agreement and a methodology for charging license fees to do the same. Accordingly, City staff has developed a license agreement and license fee methodology. Staff will present the license agreement and the license fee methodology to the Board of Supervisors at the March 4, 2021, meeting for the Board's initial consideration and discussion. The proposed license agreement and the March 4, 2021, staff report explaining the proposed license fee methodology are attached for your review. The license agreement and the license fee are proposed to be applied city-wide, not only to South Carson Street.

The Board of Supervisors will not adopt the license agreement or the fee methodology at the March 4, 2021, meeting. A business impact statement regarding the fee methodology is anticipated to be presented to the Board of Supervisors on April 1, 2021, and it is anticipated that the Board of Supervisors will consider and possibly adopt the license fee agreement and the license fee methodology on April 15, 2021. Carson City must make a concerted effort to determine whether the proposed ordinance or fee change will impose a direct and significant economic burden upon a business or directly restrict the formation, operation, or expansion of a business. Please review the attached draft license fee methodology and submit to the City any comments that you may have and any data or arguments you may have as to whether the proposed methodology will impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business.

Please provide any comments, data, or arguments to the City in writing by March 23, 2021, by email to Robert Nellis, Real Property Manager, at [rnellis@carson.org](mailto:rnellis@carson.org), or by mail to the Carson City Public Works Department, 3505 Butti Way, Carson City, Nevada 89701. All comments, data, and arguments will be included in the presentation to the Carson City Board of Supervisors for their consideration of the required Business Impact Statement.



If you have any questions, please call Robert Nellis at (775) 283-7714.

Sincerely,

A handwritten signature in blue ink, appearing to read "Darren Schulz". The signature is fluid and cursive, with a prominent loop at the end.

Darren Schulz, P.E.  
Public Works Director

Enclosures

March 4, 2021, with Staff Report for Proposed License Fee Methodology  
Proposed License Agreement

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)
<hr/>	
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

**From:** [Stephenson Mark](#)  
**To:** [Robert Nellis](#)  
**Subject:** McDonald's 3905 S Carson St., Carson City, NV.  
**Date:** Monday, March 22, 2021 8:28:51 AM  
**Attachments:** [image001.png](#)

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**This message originated outside of Carson City's email system. Use caution if this message contains attachments, links, or requests for information.**

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Dear Mr. Nellis,

This email is in response to the correspondence, dated March 1, 2021, from Public Works Director, Darren Schulz. As you are aware, McDonald's has been in possession of the ROW premises since 1986 pursuant to the prior lease agreement with the State of Nevada Department of Transportation, dated February 26, 1986, and the current lease agreement also with the Nevada DOT, dated August 25, 2006.

In late 2020, it came to McDonald's attention that the ownership and control of the ROW had been transferred to the City of Carson City. McDonald's is receptive to converting the existing lease agreement to a new license agreement, as suggested by the Carson City Public Works Department. To that end, McDonald's would like to address Carson City's request for a Public Impact Statement.

Although McDonald's has not performed any recent economic impact studies, McDonald's is confident that the continued use of the ROW premises by McDonald's will not overly or negatively impact the surrounding properties or businesses. To date, McDonald's has used the ROW premises exclusively for additional parking and for drive aisle purposes. The ROW premises is part of the self-contained McDonald's parcel and can only be accessed via the McDonald's parcel. McDonald's has always and will continue to comply with all laws, codes and ordinances with regard to its use of the ROW premises. McDonald's has no current plans or intentions of changing the existing use of the ROW premises. In addition, McDonald's has no current plans or intentions of making modifications or adding improvements to the ROW premises. As McDonald's has been utilizing the ROW premises in this manner for approximately 35 years, McDonald's believes that the continued use of the ROW premises in such a manner by McDonald's will not negatively impact the surrounding properties.

Thank you for your time and consideration. Please present this email letter to the Board of Supervisors or enter this correspondence in to the public record as you see fit. If you have any questions or require any additional information, please contact me at your earliest convenience.

Regards,



**Mark Stephenson** | Real Estate Asset Manager | McDonald's  
Corporation  
5001 Preservation Avenue, Colleyville, Tx 76034  
Mobile: 972.679.9474 | [mark.stephenson@us.mcd.com](mailto:mark.stephenson@us.mcd.com)

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