

Mem # 9B1C

**City of Carson City
Agenda Report**

Date Submitted: May 29, 2007

Agenda Date Requested: June 7, 2007

Time Requested: 5 minutes

To: Redevelopment Authority/Board of Supervisors

From: Joe McCarthy, Office of Business Development

Subject Title: Action to approve a redevelopment incentive to reimburse Mr. Dick Campagni, President of Carson City Toyota, \$500,000 over a seven-year period, from tax increment produced in the project area, to help defer costs associated with on-site mitigation analysis and improvements related to the new Carson Toyota Store's unforeseen increases of approximately \$1,000,000 in the project's construction budget.

Staff Summary: Mr. Campagni has had to adjust his costs to prepare his site in accordance with the new Toyota Image II USA standards. Toyota has rejected preliminary plans that would have added steps to the new building to accommodate for the significant changes in elevation across the property (15.5 feet) from Curry Street to South Carson Street. The plans had several areas that concerned Toyota (through Gensler), most significant being the separation of the showroom and the service shop. The site must be adjusted to accommodate the severe change in grade or all future plans will be rejected. These adjustments include retaining walls for the site and the building, grade beams, underground retention, water proofing, civil, architectural and structural design.

Type of Action Requested: (check one)
☐ Resolution ☐ Ordinance
☒ Formal Action/Motion ☐ Other (Specify) - None

Does This Action Require A Business Impact Statement: ☐ Yes ☒ No

Recommended Board Action: I move to approve a redevelopment incentive to reimburse Mr. Dick Campagni, President of Carson City Toyota, \$500,000 over a seven-year period, from tax increment produced in the project area, to help defer costs associated with on-site mitigation analysis and improvements related to the new Carson Toyota Store's unforeseen increases of approximately \$1,000,000 in the project's construction budget.

Explanation for Recommended Board Action: Redevelopment funds are part of the City's contribution to its vital auto sales sector, primarily a privately funded project. The redevelopment incentive is on a reimbursement basis dependent upon funds being available in future years. Staff anticipates that it will take approximately seven years to accumulate enough tax increment funds in the Project Area to ensure full reimbursement. Full reimbursement might occur earlier,

if we exceed our conservative projections. The applicant and the Redevelopment Authority will enter into a written agreement that stipulates the parameters of this reimbursement agreement.

Applicable Statue, Code, Policy, Rule or Regulation: NRS 279

Fiscal Impact: \$500,000

Explanation of Impact: Redevelopment funds coming from the growth in tax increment within the project area

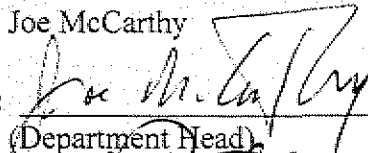
Funding Source: Redevelopment funds

Alternatives: Not award incentive.

Supporting Material: none

Prepared By: Joe McCarthy

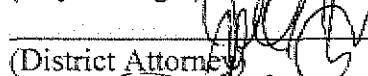
Reviewed By:


(Department Head)

Date: 5-29-07


(City Manager)

Date: 5/29/07


(District Attorney)

Date: 5-29-07


(Finance Director)

Date: 5/29/07

Board Action Taken:

Motion: _____

1) _____

Aye/Nay

2) _____

(Vote Recorded By)