

CITY OF ELKO
REDEVELOPMENT AGENCY
REGULAR MEETING MINUTES
3:00 P.M., P.S.T., TUESDAY, FEBRUARY 27, 2018
ELKO CITY HALL, COUNCIL CHAMBERS,
1751 COLLEGE AVENUE, ELKO, NEVADA

CALL TO ORDER

The meeting was called to order by Chris Johnson, Chairman of the City of Elko Redevelopment Agency (RDA).

ROLL CALL

Present: **John Rice**
 Reece Keener
 Robert Schmittlein
 Mayor Chris Johnson

Excused: **Mandy Simons**

City Staff: **Curtis Calder, City Manager**
 Scott Wilkinson, Assistant City Manager
 Cathy Laughlin, City Planner
 Shelby Archuleta, Planning Technician
 Bob Thibault, Civil Engineer
 Dennis Strickland, Public Works Director
 Jeremy Draper, Development Manager

PLEDGE OF ALLEGIANCE

COMMENTS BY THE GENERAL PUBLIC

There were no public comments made at this time.

APPROVAL OF MINUTES

January 9, 2018 – Regular meeting **FOR POSSIBLE ACTION**

The minutes were approved by general consent.

I. NEW BUSINESS

- A. Review, consideration, and possible action to accept the 2017 Redevelopment Agency Annual Report, and matters related thereto. **FOR POSSIBLE ACTION**

Pursuant to the provisions of NRS 279.586, the agency shall submit to the Director of the Legislative Counsel Bureau, for transmittal to the Legislature, and to the legislative body an annual report on a form prescribed by the Committee on Local Government Finance.

Cathy Laughlin, City Planner, explained that it is a requirement by NRS that a report is submitted every year. This report is for 2017. We send the report, along with a letter signed by the Mayor, to Legislative Bureau for the NRS. The Overlapping Tax Rate had not changed. The Redevelopment Area Tax Rate had not changed. The Assessed Valuation went down a little bit from last year, due to some abatements.

Mayor Chris Johnson asked what the total assessed valuation was for the City.

Scott Wilkinson, Assistant City Manager, said it was a lot.

Curtis Calder, City Manager, stated that Jonnye Jund could run a report to find out the exact amount.

Ms. Laughlin explained that it was not an easy task for her to get the annual assessed valuation from the County. The County provides a page that shows the entire district. It is a lump sum total of every single line item. The Annual Assessed Valuation of all parcels within the Redevelopment district is \$47,132,999. The Annual Assessed Valuation for 2016 was \$45,826,394, so it has increased. The 2018 will decrease due to some abatements.

Mr. Keener asked if the abatements were automatic, or if they are petitioned for.

Mr. Calder explained that it depended on what kind of abatement. Tax cap abatements for commercial is at 6 in Elko County, and residential is at 3, so if there was growth in assessed valuation above the 3 or the 6 that entire amount would get abated. It depends on how much the assessed valuation increases. There are also people who can go to the Board of Equalization and request a reduction in property tax based on reduced market value of their property, which is handled on a case-by-case basis at the Board of Equalization.

Mr. Wilkinson said there had been some disputes where they've reassessed on redeveloped property. He was aware of one that was being disputed. There are those type of issues out there, which would take several years to resolve depending on how aggressive the property owner, or developer, is.

*****A motion was made by Reece Keener, seconded by John Rice to accept the 2017 Redevelopment Agency Annual Report.**

****Motion passed unanimously. (4-0)***

- B. Review consideration, and possible action to amend the adopted 2017-2018 RDA budget to reallocate funds from the line item 'Balance Towards Savings' to increase storefront improvement grant funding by \$50,000 and fund project #2 of Phase 1 of the downtown corridor project for \$250,000, and matters related thereto. **FOR POSSIBLE ACTION**

Ms. Laughlin reported that the RAC had a great meeting in January. The topic of discussion was the Downtown Projects and how we can continue to move forward, as we have started to see some progress in the downtown. Recall the several meetings that were taken to prioritize the Redevelopment of the Downtown Corridor into projects. The projects were listed as Project 1 thru 6, for Phase 1, and Project 7 thru 10 for Phase 2. Project No. 1 was undergrounding the 7th Street overhead lines for \$200,000. That project is complete. Project No. 2 in the Centennial Park, the west block end of the Centennial Park. When staff originally recommended \$250,000 for the line item, it was based on the closure of 7th Street, the grinding of the asphalt, curbing, sidewalk, irrigation, new landscaping, etc. When it was evaluated with the RAC originally, the way they came up with \$138,000 was based on Project No. 3, which is the Block ends. They took the 4th, 5th, and 6th Street Block End, which was estimated at \$415,000 and divided that by three and came up with a cost of \$138,000 per block end. That's what was recommended and was the original approval by the RDA. Staff has looked back and they don't feel they can complete the project for \$138,000. Staff feels it would be more realistic to be at \$250,000, due to irrigation, landscaping, and the street closure. Staff recommended to the RAC that they move ahead with Project No. 2 and increase the budget back up to \$250,000, as staff recommended originally. RAC recommended bumping up the project to \$250,000 and moving forward with Project No. 2. The changes that the RAC has recommended to the 2017/2018 Budget was to: look at the original Storefront Program and increase it to \$100,000, which can be taken out of the end result of the project. We allocated \$250,000, total, to the Storefront Program; we have already approved \$62,000 of that. The additional \$50,000 increase could be from Year 5, which would eliminate Year 5 and push it into Year 2. They also recommend starting Project No. 2, the expansion of the Centennial Park, for \$250,000. That would leave a remaining balance of \$460,346, which would be enough to complete Project No. 3 once the year is complete and revenues in the book.

Robert Schmidtlein said in regards to the estimated \$250,000. He asked if prevailing wage had moved, if it was above \$100,000, or if it was still at \$250,000.

Ms. Laughlin explained that for any RDA Project prevailing wage was after \$100,000. She added that staff had looked at this and evaluated what could be done in house. Staff is doing the design and looking at doing the storm drain replacement. They are looking at every possible way to save money to get the project completed.

Mr. Schmidtlein asked if they could piece it out, and keep all the pieces under \$100,000, or if they looked at full scope.

Mr. Wilkinson said staff would evaluate that and the time of year would drive that. He thought the irrigation design was completed. Therefore, some money has already been saved; the asphalt had already been ground in house. He thought, based on the timing, staff may do the concrete, the flat work, sooner rather than later. We're not trying to get around prevailing wage, but trying to figure out what makes sense based on the time of year.

Mr. Schmidtlein asked what type of curb was going to be on the edge of the parking lot. (Vertical) He was thinking when people leave the parking lot the curb needed to be rounded, because if it's squared off people will drive over it. Somehow, the design needs to be changed a tiny bit and the same thing on the other side for people turning in.

Mr. Wilkinson thought that was a good catch, especially with the bigger vehicles and the drive isles.

Mayor Johnson said looked like, this year, the RDA could end up with an ending fund balance of \$787,000.

Ms. Laughlin explained that she included in the packet the RDA Revenue Projections at 2% and 3%, so that you can see that at a 3% and at a 2%, we are trending at 190% higher than what was anticipated. We have seen great results from the RDA.

Mr. Wilkinson thought it was important to keep in mind that the NRS requires that the RDA demonstrate that they can fund projects as they consider them. The projected revenues provide that finding.

Ms. Laughlin reported that the balance to date was \$827,199. That is not for the remainder of the year for the income. That amount is listed as available and the request is for \$300,000, due to \$250,000 for Project No. 2 and \$50,000 for the Storefront Program.

Mayor Johnson said it was a pretty healthy balance. It wouldn't be a bad thing if the RDA continued to bank the money. He asked if they should consider being more aggressive on a project, or if they should take on another project.

Mr. Wilkinson said the RAC had a recommendation to move right into Project No. 3 in the next year, which would be the block end extensions. In that case, a considerable portion of the revenues would be spent as they came in, if the RDA chose to do that over the next fiscal year.

Mr. Rice liked the idea of keeping projects visible, because the community gets to see what they've invested in.

Mr. Wilkinson said that the DBA has expressed considerable interest in the park project and they have continued to express an interest in collaborating with the City on certain aspects of the park development. They are viewing the park as a significant improvement in the downtown area.

Mr. Keener asked if the DBA was able to secure the concert series that they were looking at. (No)

Jeff Dalling, 3022 Callie Court, said that the DBA didn't get the actual concert series, but they are going to grab them in between stops. They got the grant, so they are going to use that money to bring them to town in between their scheduled stops.

Mr. Keener asked if the idea was to have it downtown. (Yes)

Mr. Schmidlein asked if the RDA was able to partner with private business/DBA. Because the Stockmen's parking lot is like driving on Mars. Stockmen's may own it, but the entire downtown community utilizes the benefits of it. He hears many complaints about it.

Ms. Laughlin explained that she sent a letter to the general manager and requested a meeting, and she never heard back.

Mr. Schmidtlein asked if Ms. Laughlin would try to reach out to them again.

Ms. Laughlin said she would. Her goal was to approach them with a partnership. In the RDA Plan, there is an entire chapter on Public-Private Partnerships, and this would fall right under that.

Mr. Schmidtlein thought the DBA would walk into that as well.

Mr. Wilkinson explained that that has been a project on City Manager's list since the Redevelopment Agency was initiated. Mr. Wilkinson said he hears about this parking lot and the one by the Post Office monthly from the City Manager.

Ms. Laughlin went back to the question and comment that Mr. Rice had. She wanted to state that as a Redevelopment Agency they belong to the Redevelopment Association of Nevada. She relies on those individuals that belong to that group for information constantly. She reached out to them before it was put on the agenda for the RAC Meeting, on saving or spending. She asked what they did throughout the state, because they have had redevelopment agencies and areas for way longer than we have. They All stated to spend it at the beginning and reap the benefits for the rest of the time. If you're going to save up the funds and do a big project at the end, then you won't be able to reap the benefits because you won't have increased growth in the tax revenue. They said spend it at the beginning. They allocate 50 to 70% of their budget to partnerships with private business owners. They develop that relationship, everyone improves their property, and more growth comes into the area.

***** A motion was made by Councilman John Rice, Seconded by Councilman Reece Keener to adopt the amended 2017/2018 Redevelopment Agency Fiscal Budget.**

****Motion passed unanimously. (4-0)***

After the motion and before the vote Mayor Johnson thought it was a conversation to keep. He brought up at the RAC meeting what they wanted Elko to be at the end of the RDA, and then work back and see if they are meeting the goals. He saw having a nice area, nice parking, nice infrastructure, and nice storefronts. If they work that way then it helps to set what they should be doing now to get there. It's impressive to see the increase in assessed valuation, and to see what the area is providing. He thought it was a great move to put down the slurry seal, and asked if they are due for another one, or if they should start thinking of new asphalt.

Mr. Rice pointed out that they had some showcase projects. .

Dennis Strickland, Public Works Director, explained that he looked at the micro on a couple blocks a few years ago, but it had not been considered this year for the two that they omitted.

Mayor Johnson asked if there were two they didn't do.

Mr. Strickland said they didn't do Stockmen's and the one in front of the movie theater, because of the centennial work that was going on.

Mayor Johnson asked if it was only done one time, or two.

Mr. Strickland explained that they did everything once, and then the other blocks twice. They need to look at it, but it won't happen this year because of the Public Works' workload.

***Council then voted on the motion.**

II. REPORTS

A. Budget

B. Other

COMMENTS BY THE GENERAL PUBLIC

There were no public comments made at this time.

ADJOURNMENT

There being no further business, the meeting was adjourned.



Mayor Chris J. Johnson, Chairman
Redevelopment Agency