

CITY OF ELKO
REDEVELOPMENT AGENCY
REGULAR MEETING MINUTES
3:00 P.M., P.D.S.T., TUESDAY, MAY 8, 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: Councilman Reece Keener
Councilwoman Mandy Simons
Mayor Chris Johnson

Excused: Councilman John Rice
Councilman Robert Schmidtlein.

City Staff: Curtis Calder, City Manager
Scott Wilkinson, Assistant City Manager
Cathy Laughlin, City Planner
Bob Thibault, Civil Engineer
Shelby Archuleta, Planning Technician

PLEDGE OF ALLEGIANCE

COMMENTS BY THE GENERAL PUBLIC

There were no public comments at this time.

APPROVAL OF MINUTES

April 10, 2018 – Regular meeting **FOR POSSIBLE ACTION**

*****A motion was made by Councilman Reece Keener, seconded by Councilwoman Mandy Simons to approve the minutes.**

**Motion passed unanimously. (3-0)*

I. NEW BUSINESS

A. Review, consideration, and possible action on the 2018 Storefront Improvement Grant Recipients and amounts allocated, and matters related thereto. **FOR POSSIBLE ACTION**

The 2018 Storefront improvement grant applications were open from January 1, 2018 to March 30, 2018. The RDA has allocated \$50,000 each year for 5 years for storefront improvement grants. The RDA approved an increase in the 2018 grant allocation from \$50,000 to \$100,000 at their February 27, 2018 meeting. The Redevelopment Advisory Council reviewed all applications at their meeting April 26, 2018. There were 3 applications and all were deemed complete applications. Their recommendation to the RDA was to fund all three projects as requested.

Cathy Laughlin, City Planner, stated she was a trustee of the Pat Laughlin Family Living Trust, which was an applicant for the Storefront Improvement Program, and recused herself from the meeting.

Scott Wilkinson, Assistant City Manager, explained that there were three applications. The first was from the Pat Laughlin Family Living Trust, the second from Patray Assets, LLP, and the third from OC Restaurants, LLC. The first application had three bids included. They ranged from a low of \$10,210 to a high of \$11,658. The funding request is for 50% of the low bid, which is \$5,105. The project is located at 927 Idaho Street and it is an exterior remodel. A photo and project description was included in the packet. The application was deemed complete and could be considered for possible award.

Councilwoman Mandy Simons asked what kind of business was on the property.

Mr. Wilkinson explained that it was Lisa Mendez's law office.

Mayor Chris Johnson disclosed that he was the owner of Charles Chester Plumbing & Heating. He had seen the plans for the Commercial project, he anticipated that there was other work that would come with it, and that they could become a potential bidder. He didn't see that his action today would cause any issue for him to vote on this.

Mr. Wilkinson suggested the Agency take action on each application. That way if they had any issues with one application, the action wouldn't compromise others.

***** A motion was made by Councilwoman Mandy Simons, seconded by Councilman Reece Keener to approve the Laughlin Trust project for 50%, in the amount of \$5,105 on 927 Idaho Street for the Storefront Improvement Program.**

**Motion passed unanimously. (3-0)*

Mr. Wilkinson went on to the second application. Patray Assets, LLP, for the Patray Building located at 524 Commercial Street. The funding request is for \$25,000. They submitted four bids for the proposed project. The bids range from a low bid at \$78,845 to a high bid of \$85,798.

Ms. Laughlin mentioned that the architect was in audience if anyone had any questions. She then went through the plans and explained the proposed project.

*****A motion was made by Councilman Reece Keener, seconded by Councilwoman Mandy Simons to approve a grant in the amount of \$25,000 under the RDA Storefront Improvement Program for Patray Assets, located at 524 Commercial Street.**

****Motion passed unanimously. (3-0)***

Ms. Laughlin explained that third application was for the Commercial Casino, LLC, and the project is for the Old Chicago at the Commercial Hotel. The application is complete. The four bids were submitted for the project.

Mr. Wilkinson reported that the bids ranged from a low bid of \$439,241.53 to a high of \$641,567.

Ms. Laughlin explained that the application included the dining patio area, the façade renovation, and the demolition of the existing façade in the bids. She then went through the plans and explained the proposed project.

Mr. Wilkinson said if you've had a chance to look at the bids, you could understand the uncertainty that's qualified in the bids with what might be behind the existing façade and what type of issues they might encounter trying to remove the existing façade improvements. Mr. Wilkinson thought they were salvaging the murals for the owner. (Correct)

Ms. Laughlin said the outdoor patio was included because they felt that that was a projection of the Storefront area.

Councilman Keener asked if \$25,000 was the max, and if that was what was being asked for. (Yes)

***** A motion was made by Councilwoman Mandy Simons, seconded by Councilman Reece Keener to approve the Commercial Casino application for the Storefront Improvement Program in the amount of \$25,000.**

****Motion passed unanimously. (3-0)***

- B. Review, consideration and possible action on the remainder of funds from the 2018 Storefront Improvement Grant review cycle, and matters related thereto. **ACTION ITEM**

The Redevelopment Agency increased the budget for the 2018 Storefront Improvement Grants from \$50,000 to \$100,000 at their February 27, 2018 meeting. The 2018 application period ended March 30, 2018 and there were three grant applications received for a total funding request of \$55,105. This leaves a balance of \$44,895.00. The Storefront Improvement Grant Program Guidelines states: *If the available, budgeted funding is not fully expended in any given application review cycle, applications will be accepted on a first-come, first-served basis until all available, budgeted funding is exhausted*". The RDA has the option of extending the application review cycle as stated

in the guidelines or allocating the remaining funds to the 2019 Storefront Improvement Grant.

Ms. Laughlin said this was the pleasure of the RDA. They had two choices, to push it into the 2019 and increase the 2019 from \$50,000 to \$94,000, or they could continue to accept applications. If they chose the second option, of continuing to accept applications, Ms. Laughlin wanted to know how they would like them to be processed. Once a month the applications could be reviewed by the RAC and brought to RDA for a final decision. RAC meetings are only quarterly. Due to the meeting notifications, Ms. Laughlin needed to be able to plan ahead for the meetings.

Lina Blohm, commenting as a member of the Central Business District, applauded the applicants of the Storefront Improvement Program. She applauded that they were willing to invest in their businesses, in the downtown and to create something worthwhile and a storefront that we can all be proud of. She was disappointed in the fact that the RAC wanted to increase the amount, because last year was a successful year full of applicants. This year, right up to the deadline, we just had three. We need to ask ourselves what we are doing wrong. Now we have a remainder, a balance of \$44,000. Ask yourselves, do you want to commit that into small projects that won't invite investment, or do we want to get behind some of the larger projects, such as the Commercial Hotel. Between 3rd and 5th on Idaho Street we have nothing but blight. There are several empty buildings, on both sides of the street, which have sat there for a long time without any sort of attention. From her personal standpoint she sees clients every day who remark on the look of downtown deteriorating. She wanted to ask that the RDA seriously consider retaining the \$44,000. She would love to see the success of the Chicago and the Commercial Hotel venture. It could be that they would need to ask for more in funding. Rather than splinter ourselves into small \$5,000 projects. She thought they needed to look at the big picture, what is happening, and not happening in the downtown.

Jeff Dalling, from the RAC, said they had already gone over all of this at their last meeting. They only meet quarterly. He felt like they already had the guidelines in place, people didn't get their applications in, and they had plenty of notice. He felt like everyone knew. He felt like the reason they didn't get more applications was that it was real money out of their pocket. It isn't free money; they have to spend \$50,000 to get the \$25,000. He thought they should take the money and pocket it for next year. He was the one that made the motion to increase the budget to \$100,000, but no one seemed to need it. He felt proud of downtown, and thought it was going good.

Catherine Wines, with the RAC, and representing two of the applicants as the design professional, said she wasn't sure that she had a strong opinion on whether to roll the money over to next year, or not. As a representative of the Commercial and Old Chicago and knowing how tight the budget is. The \$430,000 is just for a portion of the outside the building, it is an expensive project. There is a real possibility that it won't happen, because of how much it is going to cost. There was money allocated for a Demolition program. She knew that was for complete teardown and to get rid of blight. This is not a complete teardown, but it would get rid of blight. It might not increase the tax revenue like a new building would. The non-monetary advantage to this project would be exponential. If there's any way to give a variance for the Demolition Program it would be much appreciated, and it might make a difference in the project.

happening or not. She also wanted to congratulate Northern Star Casino on their investment in the Downtown.

Mayor Johnson asked if they should send it back to RAC, or if they should try to handle it.

Ms. Laughlin explained that the allocation for the remainder of the funds is an RDA decision. The RAC Bylaws do not allow them to make decisions when it comes to funding. If you want to send it back to them for their recommendation we can do that, but they don't meet again until next quarter. Because this is an allocation of funding, it came directly to the RDA.

Ms. Wines thought the owners wanted to make a decision before July.

Mayor Johnson said the way it's written in the Guidelines explains what is to be done with the remaining fund. He asked what direction was needed from the RDA.

Ms. Laughlin explained that they could go with option in the Guidelines, or transfer the balance into the 2019 Storefront Program.

Mayor Johnson said that would go against the policy.

Councilwoman Simons said that was her question. She would rather wait and roll it over, but the Guidelines say they will. It uses the word will.

Ms. Laughlin said that was in the Guidelines. When the original decision was made about the Storefront Improvement Program, \$50,000 was allocated for five years, up to \$250,000. Last year we went over that by \$12,000, then we made a decision to bump this year's up by an additional \$50,000. We are allocating the original \$50,000, by the three actions taken on the last agenda item. It's the balance that was added into the fund.

Mayor Johnson said he didn't know if that would affect it.

Mr. Wilkinson thought it was important to remember that the RDA allocated \$250,000. When they made the decision to go to \$100,000, part of that decision was to pull \$50,000 forward in the process, not go from \$250,000 to \$300,000. He thought the decision today was if they wanted to accept addition applications. Remember one application per APN per year. If it were extended, it wouldn't open it up to current applicants without revising the Storefront Program. It's really a matter of if you want to try to get a few more applications. He thought if they got one application, they should call a RAC Meeting, get a recommendation to the RDA, and try to execute on it. He thought Mr. Dalling was spot on that it takes a commitment for someone to expend money to get this money. He didn't know if the City had done anything incorrectly or wrong. He didn't think at this point in time that other people were committed to expenditures on their properties. There are storefront improvements going on in the downtown that haven't requested any refund. Different people have different circumstances. Also, understand that we have a short construction season. Within reason, at some point, you start going well if we commit to these applications they can't do work in the winter months.

***A motion was made by Councilman Reece Keener, seconded by Councilwoman Mandy Simons to, with respect to the Storefront Improvement Grant Program, take the 2018 unused balance of \$44,895 and use the funding to augment the 2019 budget.**

****Motion passed unanimously. (3-0)***

- C. Review, consideration and possible action to enter into a Public/Private Partnership with Commercial Casino LLC., for the relocation of a light pole to the corner of 4th Street and Railroad Street, and matters related thereto. **ACTION ITEM**

The developer, Commercial Casino LLC., is requesting financial assistance in the relocation of a light pole to the corner of 4th Street and Railroad Street from the current location which is not the ideal location for an outdoor patio dining that they are proposing for the Old Chicago Pizzeria. The current light pole location does not provide much benefit to the corridor area.

Ms. Laughlin pointed out the pole in question. This pole was proposed to be relocated to the corner of Railroad and 4th Street. There are other poles in the vicinity. We'd need to look and see where the light is needed, and if it's needed at all. An estimate on the relocation of the light was included in the packet, and email communication between Ms. Wines and NV Energy on the light. NV Energy owns the light. The City of Elko does not own the lights; they were paid for by grants many years ago. The City of Elko would need to be the applicant with NV Energy requesting that this light be relocated. It's a complicated situation, but we would work with the contractor to get the light relocated. This would fall under the Private Public Partnership, which is part of the RDA Plan. We have \$75,000 allocated in the budget for Private Public Partnerships every year. It also includes the Demolition Program.

Councilman Keener asked if this project would trigger any lighting requirements for the parking lot.

Ms. Laughlin explained that a photometric would be needed of the entire site, to see if it has enough lighting.

Mr. Wilkinson said for the benefit of the RDA, this is triggered by the proposed outdoor dining area that was presented in the Storefront Improvement Program. He thought a consideration for the RDA would be that this partnership would be conditioned on the project moving forward. He didn't think the light need to be moved unless the project happened. His understanding was that the request was for the RDA to pay the full amount for the relocation. He wasn't sure that there was a cost share envisioned under that agreement. He thought the light was located on private property, which is why there would need to be an agreement.

Councilman Keener asked what the amount was for the light relocation.

Mr. Wilkinson said it was estimated at \$11,530. These are little things an RDA can do to help.

Ms. Wines clarified that the light, when it was put in, was on City property. Since then the Recorder has record of a vacation 20 years ago, where the City gave that section of the parking

lot to the Commercial. The City continues to pay the bill on the light. NV Energy owns the light, the City pays for the light, but it's on Northern Star's property.

***** A motion was made by Councilman Reece Keener, seconded by Councilwoman Mandy Simons to approve the cost of relocating the subject street lamp in the amount of \$11,530 on the property adjoining Commercial Casino, LLC, contingent upon applicant completing the project as presented.**

**Motion passed unanimously. (3-0)*

II. REPORTS

A. Budget

Ms. Laughlin reported that they were trending higher than anticipated in the property tax revenues and in the interest revenue. We had contributions from the public and the DBA for the Tower Project. The transfer in from the General Fund was the City Council's \$50,000 donation towards the Tower. She continued to go through the presented budget.

B. Other

Councilman Keener asked if the Railroad properties downtown would be eligible for the Storefront Improvement Grant. (Yes) As far as the demo cost sharing that they talked about earlier for the Commercial project, would the guidelines need to be rewritten in order to include demo.

Ms. Laughlin explained that the Demolition Program states that it's demolition with rebuilding. You have to redevelop the property after you demo. It doesn't say, in the Demolition Program, a partial demolition; it clearly states demolishing the entire building and redeveloping the property. She didn't believe the request would fall under the Demolition Program. She thought it would have to come back in as a Public-Private Partnership. As far as the Storefront Program, she didn't know what else to do. They didn't allocate a lot for postage for the Storefront Program, but she put it in the Chamber Newsletter three times, put it in the DBA, had it on the radio, in the Newspaper, on Facebook, and had it on the City Website. She wasn't sure what else to do to get the word out.

Mr. Wilkinson said talking about the Storefront Program; cost for removal of material off the building front is envisioned under the Storefront. That is removal not demolition of a building. He thought they did a good job in separating those two programs. They have different goals and objectives. If they don't feel like matching up to \$25,000 is appropriate; that they need to increase that. That might be something to look at, at a future date.

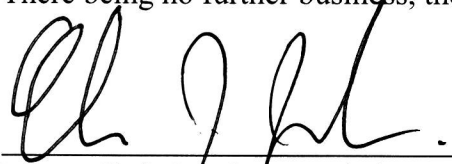
Councilman Keener thanked the RAC Members for attending the meeting.

COMMENTS BY THE GENERAL PUBLIC

There were no public comments at this time.

ADJOURNMENT

There being no further business, the meeting was adjourned.

A handwritten signature in black ink, appearing to read 'Chris J. Johnson', is written over a horizontal line.

Mayor Chris J. Johnson, Chairman
Redevelopment Agency