



AGENDA SUMMARY PAGE

REDEVELOPMENT AGENCY MEETING OF: MARCH 19, 2008

DEPARTMENT: OFFICE OF BUSINESS DEVELOPMENT

DIRECTOR: SCOTT D. ADAMS

SUBJECT:

Report and possible action regarding Redevelopment Agency projects currently under contract or negotiation, other projects proposed or under construction within or near the Redevelopment Area, and to provide an overview of programs and initiatives - Wards 1, 3 and 5 (Tarkanian, Reese and Barrow)

Fiscal Impact

- No Impact Augmentation Required
 Budget Funds Available

Amount:
Funding Source:
Dept./Division:

PURPOSE/BACKGROUND:

To update the Redevelopment Agency (RDA) Board on RDA projects currently under contract or in negotiation with owners, developers and consultants; to present development projects proposed or under construction within or near the Redevelopment Area; to provide an overview of programs and initiatives; and to receive input from the RDA Board on the status of projects, programs and initiatives as warranted.

RECOMMENDATION:

Accept report and direct staff as appropriate.

BACKUP DOCUMENTATION:

Submitted after meeting Hardcopy of PowerPoint presentation by staff

Minutes:

No motion required. A report was given.

SCOTT ADAMS, Operations Officer of the Redevelopment Agency, used a PowerPoint presentation, a copy of which is made a part of the minutes, to update the Agency members on development activity in the redevelopment area. In light of the financial difficulties the City is experiencing in the general fund, Agency staff did an analysis on the Agency's budget to determine how much of its costs were being borne by the general fund and shifting that expense to the Redevelopment Agency budget. The entire administrative function of \$700,000 was being fully funded by the general fund, but that expense will be shifted to the Redevelopment Agency budget the next fiscal year. Staff is also working earnestly on converting its exclusive negotiations agreements to development agreements in order to expedite revenue generation through taxes. Another strategy is to solicit development interest in vacant sites and increase redevelopment potential.

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Regarding the strategy, MEMBER BROWN asked that within 30 to 60 days staff provide information on the existing real estate inventory, potential strategic investment in real estate, especially near City-owned parcels, and a footprint on short- and mid-term infrastructure that might be needed in the downtown area. MR. ADAMS indicated that he has a financial consultant on staff to analyze current revenue streams and the potential for a bond issue for the Agency to maximize the Agency's capacity to either acquire or make infrastructure improvements.

MEMBER BROWN asked if the City would have the authority to do a traditional special improvement district (SID) in the downtown area, as has been done in some of the master planned communities. MARK VINCENT, Director of Finance and Business Services, replied that an SID could be done in the downtown area, however, rules require that there be public funding of more than 50 percent. For example, the Entertainment District on East Fremont Street was done with a combination of public funds and an SID. The concept would have to be closely examined and probably done on a case-by-case basis. MEMBER BROWN directed staff to accelerate evaluation of possible traffic improvement needs within the next five years in order to take advantage of the current market. MR. ADAMS responded there are two large-scale projects coming online in the downtown area that will see traffic and street improvements and staff to maximize leveraging those, possibly through a tourist improvement district, which has never been done.

CHAIRMAN GOODMAN pronounced the REU project is still viable.

MR. ADAMS resumed his presentation, noting that World Market Center's Phase III is near completion. With the softening in the furniture market, Phase IV will be smaller, but their original plan of a total of eight phases has not been diminished. The Premium Outlet Mall is a testament to the success of retail in the downtown area. He noted that financing is very difficult to obtain, given the current softening of the market.

CHAIRMAN GOODMAN asked MR. ADAMS to include in his reports other downtown projects that have been successfully completed and operational.

MEMBER WOLFSON stressed the need for rental inventory in the central downtown area. MR. ADAMS stated that developers are looking at reworking their projects for potential rental opportunities for the downtown workforce. The high-cost of construction downtown has been an impediment, but, with the softening of the market and the land correction, staff has seen a greater interest in that type of product.

MEMBER TARKANIAN remarked that the success of the Entertainment District is a tribute to the vision and efforts of the Agency members.

MEMBER BROWN confirmed with MR. ADAMS that aggressive outreach is done to local clubs, rotaries, etc.

MEMBER BARLOW noted that dinner with representatives of the ICSC when he was in Washington, D.C., resulted in a future opportunity for MR. ADAMS and him to be presenters at the upcoming ICSC National Convention. He commended MR. ADAMS and his staff for realizing the vision of the Agency members.