



MINUTES

Regular Meeting

Redevelopment Agency Board

Wednesday, October 23, 2024 • 10:00 AM

Reno City Council Chamber, 1 East First Street, Reno, NV 89501

Hillary Schieve, Mayor

Council Members:

Ward 1 - Jenny Brekhus	Ward 4 - Meghan Ebert
Ward 2 - Naomi Duerr	Ward 5 - Kathleen Taylor
Ward 3 - Miguel Martinez	At Large - Devon Reese

A Introductory Items

THIS MEETING WAS CALLED TO ORDER DURING THE RENO CITY COUNCIL MEETING AGENDA ITEM D.7.

A.1 Pledge of Allegiance

A.2 Roll Call

Members Present

Mayor Hillary Schieve, Councilmember Devon Reese, Councilmember Naomi Duerr, Councilmember Kathleen Taylor, Councilmember Miguel Martinez, Councilmember Meghan Ebert

Mayor Schieve and Council Member Brekhus were absent at roll call.

A.3 Public Comment

A.3.1 Public Comment

None

A.4 Approval of the Agenda (For Possible Action) – 23 October 2024

It was moved by Devon Reese, seconded by Miguel Martinez, to approve.

RESULT:	Pass [5 TO 0]
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MOVER:	Devon Reese, Councilmember
SECONDER:	Miguel Martinez, Councilmember
AYES:	Reese, Duerr, Taylor, Martinez, Ebert
NAYS:	
ABSENT:	

A.5 Approval of the Minutes

A.5.1 Redevelopment Agency Board - Regular - 14 August 2024 10:00 AM (For Possible Action)

It was moved by Kathleen Taylor, seconded by Devon Reese, to accept.

RESULT:	Pass [5 TO 0]
MOVER:	Kathleen Taylor, Councilmember
SECONDER:	Devon Reese, Councilmember
AYES:	Reese, Duerr, Taylor, Martinez, Ebert
NAYS:	
ABSENT:	

B Public Hearings - 10:00 AM (Items scheduled to be heard at a specific time will be heard no earlier than the stated time, but may be heard later.)

None

C Department Items

Public Works

C.1 ***SUPPLEMENTAL SUPPORTING MATERIALS -*** Staff Report (For Possible Action): Award of Contract to Professional Asbestos Removal Corporation for the abatement of asbestos containing material in the Reno Police Department building at 455 E. 2nd Street as a part of the Central Station Project in an amount not to exceed \$552,227. (Redevelopment Agency #2) [Ward 3]

It was moved by Devon Reese, seconded by Miguel Martinez, to approve.

RESULT:	Pass [4 TO 0]
MOVER:	Devon Reese, Councilmember
SECONDER:	Miguel Martinez, Councilmember
AYES:	Reese, Duerr, Taylor, Martinez
NAYS:	
ABSENT:	

THIS ITEM WAS OPENED AND HEARD TOGETHER WITH THE RENO CITY COUNCIL MEETING AGENDA ITEM D.7.

Kamrun Ahmadi, City of Reno Public Works Senior Civil Engineer, gave the staff presentation.

COUNCIL MEMBER EBERT ABSENT AT 3:03 PM

Bryan McArdle, City of Reno Revitalization Manager, explained for Council Member Taylor that this project is eligible for RDA funds because it is removing blight and making the site shovel ready for future development in downtown.

City Manager's Office

- C.2 ***SUPPLEMENTAL SUPPORTING MATERIALS -*** Staff Report (For Possible Action): Presentation, discussion, and potential direction on proposed amendments to the Redevelopment Agency Advisory Board (RAAB) bylaws.

Correspondence received was distributed to City Council and included in the record.

Bryan McArdle, City of Reno Revitalization Manager, gave the staff presentation.

COUNCIL MEMBERS BREKHUS AND EBERT PRESENT AT 3:09 PM

COUNCIL MEMBER REESE ABSENT AT 3:10 PM

COUNCIL MEMBER REESE PRESENT AT 3:17 PM

MAYOR SCHIEVE PRESENT AT 3:18 PM

Mr. McArdle answered questions from Council regarding the proposed amendments.

Vice Mayor Duerr suggested having at least half of the RAAB membership be more open and not require certain professions or certifications for the entire board.

Council Member Brekhus suggested having each Council Member select a RAAB member and then the Council as a whole could decide on two other members with some expertise in the Redevelopment Agency. She also stated that everything is a premature exercise until there is an updated Redevelopment Plan.

Council Member Martinez agreed there should be a couple seats for constituents to be involved but they don't necessarily need to be appointed by a specific Council Member because the liaison has that authority.

Council Member Taylor expressed support for the recommendation presented to

have people with professional experience for certification for this board because of the amount of money and projects coming forward.

Mr. McArdle confirmed for Council Member Taylor that other places with successful Redevelopment Area Agencies are really very technical advisory boards. He also confirmed there will be opportunities for public engagement.

Council Member Reese discussed the fact that anyone serving on the RAAB with professional experience in the financial world would also be a constituent and member of the community.

Council Member Ebert expressed concern with any kind of requirements for careers and levels of experience. It is important to have all different kinds of input on these board. She agreed with the model that each Council Member pick a representative and a couple positions can be filled by a planner or someone with a finance background that Council agrees on. If they are an advisory group and not making final decisions, it would not jeopardize the financial security of Reno if the members do not all have financial backgrounds.

Vice Mayor Duerr stated her recommendation is to allow each Council Member to select one RAAB member and for the remaining two positions the City Manager could recommend people they think would provide strength to the board.

Council Member Ebert expressed concern with not setting a regular meeting schedule for the RAAB.

Vice Mayor Duerr recommended they have a standing quarterly meeting and if there is no business, the meeting can be canceled.

Ashley Turney, City of Reno Assistant City Manager, explained that the RAAB has a very specific purpose and it is to review projects and that is on an as needed basis.

Mayor Schieve discussed the fact that Redevelopment is in a specific area and stated she would strongly advocate that it should be either the Mayor or the ward representative for that area that is the liaison on the RAAB.

Mayor Schieve made a motion to approve the proposed amendments.

Discussion on the motion:

Council Member Brekhus discussed the history of the RAAB and stated the city's financial position has been highly compromised and exposed to redevelopment decisions to advance the Redevelopment Plan and it exposed the general fund for years. She also noted the size of the Redevelopment boundaries and that there may be only one ward that is not in the Redevelopment boundaries. I think this Council goes down a path of problems they are opening

the door for in concerns of equity and service delivery if they don't do this right and this is not the right way to do it in my view.

Vice Mayor Duerr asked for clarity on the motion stating she is unclear on what staff is recommending for the composition of the body. She wants some clarity that Council will make appointments and that makes sure it will be spread out.

Mr. McArdle stated that was not one of the recommendations proposed in the staff presentation.

Mayor Schieve stated that would be her recommendation and since they have not voted she would like to include that it is either the Mayor or the ward representative.

Vice Mayor Duerr clarified she is asking about the remainder of the body, not just the liaison position.

Council Member Ebert expressed concern that a Ward 4 representative would never have the chance to serve as the liaison to the RAAB since it is not included in the Redevelopment boundaries.

Vice Mayor Duerr stated she thinks the Mayor is supporting the opportunity for each of us to make a recommendation for a person to be on the RAAB.

Jonathan Shipman, Assistant City Attorney, stated the motion on the table is to approve the staff recommendation. If you want to do something different, the seconder needs to withdraw and the motion needs to be amended.

Mayor Schieve stated she wants to keep it the same way and that is why she did not include who could sit on there as the liaison and that she was not saying to change it.

Council Member Ebert pointed out that the Mayor said she wanted to add to her motion that it should be the Mayor or the Ward Representative.

Council Member Reese stated the motion as he understands it was to approve the staff recommendation with no changes and his second was based on that and it remains the same.

Vice Mayor Duerr stated it is not clear what the advisory board makeup is.

Council Member Reese stated that is not in there. It will be at the discretion of the liaison to that body who will make the recommendation to Council who will vet them at that time.

Mayor Schieve stated it is very fair that every representative on here always has a member that they bring forward whether it is on the Planning Commission or other areas, everyone gets their representative.

Motion carried.

RECESS AT 4:03 PM

It was moved by Hillary Schieve, seconded by Devon Reese, to approve the staff recommendation.

RESULT:	Pass [6 TO 1]
MOVER:	Hillary Schieve, Mayor
SECONDER:	Devon Reese, Councilmember
AYES:	Schieve, Reese, Duerr, Taylor, Martinez, Ebert
NAYS:	Jenny Brekhus
ABSENT:	

- C.3 ***SUPPLEMENTAL SUPPORTING MATERIALS -*** Staff Report (For Possible Action): Presentation, discussion, and potential direction to staff to proceed with the formal review, due diligence, and third-party feasibility analysis and participant agreement negotiations of a Catalyst Project application for Tax Increment Financing (TIF) by Power Sports Development, LLC for the Grand Sierra Resort arena development project. (Tax Increment - RDA #2) [Ward 3]

It was moved by Naomi Duerr, seconded by Hillary Schieve, to direct staff to proceed with the formal review, due diligence process, and third-party feasibility analysis.

RESULT:	Pass [6 TO 1]
MOVER:	Naomi Duerr, Councilmember
SECONDER:	Hillary Schieve, Mayor
AYES:	Schieve, Reese, Duerr, Taylor, Martinez, Ebert
NAYS:	Jenny Brekhus
ABSENT:	

RECONVENED AT 4:16 PM WITH COUNCIL MEMBER EBERT ABSENT.

Public Comment:
Art Rangel
Damien Cole

Council Member Brekhus expressed concern regarding a conflict of interest because the City Attorney's wife is the in-house counsel for the Grand Sierra Resort. She suggested Council vote to decide whether independent legal advise is needed on this issue. It is very momentous and has a lot of legalities to it.

Jonathan Shipman, Assistant City Attorney, explained that as soon as there was

an awareness of this, he and Karl Hall, City Attorney, had a conversation about it. Mr. Hall has not been consulted and Mr. Shipman has not consulted Mr. Hall on anything related to this. They have totally segregated the information and created a wall so that there is no influence or conflict there. Mr. Shipman and Jasmine Mehta, Deputy City Attorney, have done all of the work for this item.

Mayor Schieve stated she feels comfortable moving forward with Mr. Shipman.

Vice Mayor Duerr stated it is good he put it on the record. If the question wasn't asked she would have had no idea about it.

Mr. Shipman stated as the Redevelopment Agency you always have the choice to have special counsel.

Council Member Brekhus stated she will still dispute this because Mr. Shipman works at the sole discretion to Mr. Hall and she does not think that is enough of a wall. Also, the question wasn't asked of the Council and they should have the decision to vote on bringing in independent counsel.

COUNCIL MEMBER EBERT PRESENT AT 4:27 PM

Bryan McArdle, City of Reno Revitalization Manager, gave the staff presentation.

Council Member Brekhus expressed concern that this is a public subsidy for a sporting venue and they have two failed sporting venues with projections that did not materialize.

Council Member Martinez asked about the public benefits staff sees in initiating a process like this.

Mr. McArdle discussed the potential uses of these amenities that would benefit the public. He also explained that the function of a redevelopment process like this is to invite private owners and developers who want to make an investment in the redevelopment area.

Council Member Taylor reiterated that we don't have a pot of money they are coming for and we are not bonding. If the project does not come forward and the applicant does not build, they don't get any money. There is no risk to the city because we are not putting in any money.

Mr. McArdle stated it is too early in the process to know what type of deal would be put together. The purpose of the tax increment mechanism is that the project itself creates future property tax and we borrow from that future tax to help support the project being built in the first place.

Council Member Taylor stated the city will not borrow and bond to give money to the Grand Sierra. She is not in favor of approving the negotiation process right

now because there is more work to be done. She is in favor of moving forward and seeing what else needs to be done.

Council Member Taylor asked the applicant if something has changed since they made the project announcement and stated that no public money would be used.

Andrew Diss, Meruelo Gaming, stated there has been some mis-reporting on this that we said we were going to go forward on this project without asking for public funding. What we have maintained all along and what Mr. Meruelo has been adamant about is that we are not asking the University of Nevada to contribute any capital to this project. That is what the comments were directed to.

Mr. McArdle confirmed for Council Member Taylor that they need more investigation in order to move forward. We do not have clarity on the feasibility of this project yet.

Mayor Schieve stated they generate the tax from what they build. If they don't build, it generates no tax. We don't hand them over a check.

Mr. McArdle stated there are different ways to do it.

Ashley Turney, Assistant City Manager, stated if they were to ask for bonding that would be something Council would need to decide and that is not what is in front of you today.

Council Member Reese stated the Grand Sierra Resort has proven to be a good partner. We have an obligation to our community to invest our time in trying to figure out whether tax increment financing is an appropriate vehicle for redevelopment.

Vice Mayor Duerr discussed the need to understand the details and what the city would potentially be responsible for.

Mr. McArdle provided an explanation of the three potential avenues and any risk to the city with each.

Council Member Brekhus discussed the purpose of redevelopment and stated it is not to do these deals, it is to eliminate blight. She discussed the need to redo the redevelopment plan to understand what they are trying to solve. She discussed equity issues of the redevelopment agency and why they have been eliminated from CA and why they are out of favor and not considered to be fair public policy.

Vice Mayor Duerr expressed support for most of the proposed motion but does not support having the redevelopment agency negotiate a participation agreement before bringing the information back to Council.

Ms. Turney stated what they would recommend to the body is to agree to go forward with the next step, which is engaging a consultant to check the math and once they do that market feasibility study staff will bring that information back to this body.

Discussion on the motion:

Council Member Brekhuis expressed concerns including the point that they have not reviewed the redevelopment plan to determine what they are trying to achieve and what the big policy goals are.

D Ordinances - Introduction (Other Ordinance, Introduction items may be found under the following agenda sections: Public Hearings, and/or Standard Department Items.)

E Ordinances - Adoption

F Mayor and Council

F.1 Redevelopment Agency Board Comments, including announcements regarding City boards and commissions, activities of local charitable organizations and upcoming local community events. (Non-Action Item)

COUNCIL MEMBER BREKHUS ABSENT AT 5:54 PM

G Public Hearings - 6:00 PM (Items scheduled to be heard at a specific time will be heard no earlier than the stated time, but may be heard later.)

H Public Comment (This item is for either public comment on any action item or for any general public comment.)

H.1 Public Comment

None

I Adjournment (For Possible Action)

It was moved by Devon Reese, seconded by Naomi Duerr, to adjourn.

RESULT:	Pass [6 TO 0]
MOVER:	Devon Reese, Councilmember
SECONDER:	Naomi Duerr, Councilmember
AYES:	Schieve, Reese, Duerr, Taylor, Martinez, Ebert
NAYS:	
ABSENT:	

The meeting was adjourned at 5:55 p.m. and a recess was called before continuing with the remainder of

the Reno City Council meeting.