

REDEVELOPMENT

AREA 2

Maps, Report to C.C. w/
Rules and Guidelines for Participation

Redevelopment Area 2

Redevelopment Plan

Prepared for:

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As Adopted by the Sparks City Council
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SECTION I. (100) INTRODUCTION

A. (101) General

This is the Redevelopment Plan for Redevelopment Area 2 ("Plan"), located in the City of Sparks in the County of Washoe, State of Nevada. It consists of the text (Sections 100 through 1100), the Map of the Redevelopment Area 2 ("Redevelopment Area") (Exhibit A), the legal description of the Project Area boundaries (Exhibit B), and a list of potential redevelopment programs and projects (Exhibit C).

This Plan has been prepared by the Sparks Redevelopment Agency ("Agency") pursuant to the Nevada Community Redevelopment Law (Nevada Revised Statutes 279.382 to 279.685, inclusive), the Nevada Constitution and all applicable laws and ordinances. It does not present a specific plan for the redevelopment, rehabilitation and revitalization of any area within the Redevelopment Area; instead, it establishes a process and framework for implementation.

This Plan is based upon a Preliminary Plan formulated and adopted by the Planning Commission of the City of Sparks by Resolution No. 82, adopted on March 11, 1999.

SECTION II. (200) GENERAL DEFINITIONS

The following definitions will be used generally in the context of this Plan unless otherwise specified herein:

- A. "Agency" means the Sparks Redevelopment Agency.
- B. "Annual Work Program" means that portion of the Agency's annual budget that sets forth programs and goals to be accomplished by the Agency during the fiscal year.
- C. "City" means the City of Sparks, Nevada.
- D. "City Council" means the legislative body of the City.
- E. "County" means the County of Washoe, Nevada.
- F. "Disposition and Development Agreement" means an agreement between a developer and the Agency that sets forth terms and conditions for improvement and redevelopment.
- G. "Legal Description" means the metes and bounds legal description of the Redevelopment Area attached hereto as Exhibit B.
- H. "Map" means the map of the Redevelopment Area attached hereto as Exhibit A.

- I. "Master Plan" means the Master Plan of the City, the comprehensive and long-term general plan for the physical development of the City as it exists today or is hereafter amended.
- J. "Ordinance" means the ordinance adopted by City Council Bill No. 2187 adopted on June 28, 1999 adopting this Plan.
- K. "Owner" means any person, persons, corporation, association, partnership or other entity holding title of record to real property in the Redevelopment Area.
- L. "Owner Participation Agreement" means an agreement between the Agency and an Owner which sets forth terms and conditions for use of property, and/or its improvement and/or its redevelopment as to a specific property.
- M. "Person" means an individual(s), or any public or private entities.
- N. "Plan" means the Redevelopment Plan for the Redevelopment Area 2.
- O. "Project" means the redevelopment project in Redevelopment Area 2.
- P. "Redevelopment Area" means the Redevelopment Area 2, which is the territory this Plan applies to, as shown on Exhibit A.
- Q. "Redevelopment Law" means the Nevada Community Redevelopment Law (Nevada Revised Statutes 279.382 to 279.685, inclusive) as it now exists or if the Agency so determines, as it may be hereafter amended.
- R. "State" means the State of Nevada.
- S. "State Law" means an enactment of State of Nevada, and includes such regulations as have the force of law.

SECTION III. (300) REDEVELOPMENT AREA BOUNDARIES

The boundaries of the Redevelopment Area are illustrated on the map attached hereto and incorporated herein as Exhibit A. The legal description of the boundaries of the Redevelopment Area is as described in Exhibit B attached hereto and incorporated herein.

SECTION IV. (400) REDEVELOPMENT PLAN GOALS

Implementation of this Plan is intended to achieve the following goals:

- The elimination of blight and environmental deficiencies in the Redevelopment Area.

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- Exhibit A: Redevelopment Area 2 Map
- Exhibit B: Redevelopment Area 2 Legal Description
- Exhibit C: Proposed Redevelopment Programs and Projects

- The assembly of land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Redevelopment Area.
- The replanning, redesign, and development of undeveloped areas which are stagnant or improperly utilized.
- The strengthening of retail and other commercial functions in the Redevelopment Area.
- The strengthening of the economic base of the Redevelopment Area and the community by the installation of needed site improvements to stimulate new commercial/industrial expansion, employment, and economic growth.
- The provision of adequate land for parking, recreational, and open spaces.
- The establishment and implementation of performance criteria to assure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire redevelopment effort.

SECTION V. (500) REDEVELOPMENT ACTIONS

A. (501) General

The Agency proposes to alleviate and prevent the spread of blight and deterioration in the Redevelopment Area by:

1. The acquisition, installation, construction, reconstruction, redesign, or reuse of streets, utilities, curbs, gutters, sidewalks, traffic control devices, flood control facilities, and other public improvements.
2. The rehabilitation, remodeling, demolition, or removal of buildings, structures, and improvements.
3. Providing the opportunity for participation by owners in the Redevelopment Area.
4. The development or redevelopment of land by private enterprise or public agencies for purposes and uses consistent with the objectives of this Plan.
5. The acquisition of real property by purchase, gift, devise, lease, or any other lawful means, or, where it is deemed necessary, by exercising the power of eminent domain as permitted by Section 503 of this Plan and after conduct of appropriate public hearings.
6. The combining of parcels, properties, site preparation, and construction of necessary off-site improvements.

7. Providing for recreational and open spaces.
8. Managing of any property acquired by the Agency.
9. Assisting in providing financing for the construction of commercial and industrial buildings to increase the economic base of the Redevelopment Area and the City, and the number of temporary and permanent jobs in the Redevelopment Area.
10. The disposition of property including the lease or sale of land at the value determined by the Agency for reuse in accordance with this Plan.
11. Providing for the retention of controls, and the establishment of restrictions or covenants running with the land, so that property will continue to be used in accordance with this Plan.
12. The closure or vacation of certain streets and the dedication of other areas for public purposes.
13. Applying for, receiving and utilizing grants and loans from federal or state governments or any other source.

To accomplish these actions and to implement this Plan, the Agency is authorized to use the powers provided in this Plan, and the powers now or hereafter permitted by the Redevelopment Law and any other State law.

B. (502) Property Acquisition

1. (503) Acquisition of Real Property

The Agency may acquire real property by any means authorized by law, including by gift, grant, exchange, purchase, cooperative negotiations, lease or any other means authorized by law including eminent domain. However, it is not the Agency's intention to employ eminent domain to acquire property in the Oddie Boulevard Area, as depicted on the Map.

To the extent required by law, the Agency shall not acquire real property on which an existing building is to be continued on its present site, and in its present form and use, without the consent of the owner, unless: (1) such building requires structural alteration, improvement, modernization or rehabilitation; or (2) the site or lot on which the building is situated requires modification in size, shape or use; or (3) it is necessary to impose upon such property any of the standards, restrictions and controls of this Plan and the owner fails or refuses to participate in the Plan pursuant to Section 505 of this Plan and applicable provisions of the Redevelopment Law.

2. (504) Acquisition of Personal Property

Where necessary in the implementation of this Plan, the Agency is authorized to acquire personal property by any lawful means.

C. (505) Participation by Owners and Persons Engaged in Business

1. (506) Owner Participation

This Plan provides for opportunities for participation in the redevelopment of property in the Redevelopment Area by the owners of all or part of such property if the owners agree to participate in the redevelopment in conformity with this Plan.

Opportunities to participate in the redevelopment of property in the Redevelopment Area may include without limitation the rehabilitation of property or structures; the retention of improvements; the development of all or a portion of the participant's property; the acquisition of adjacent or other properties from the Agency; purchasing or leasing properties in the Redevelopment Area; participating with developers in the improvement of all or a portion of a participant's properties; or other suitable means consistent with objectives and proposals of this Plan and with the Agency's rules governing owner participation.

In addition to opportunities for participation by individual persons and firms, participation, to the extent it is feasible, shall be available for two or more persons, firms or institutions, to join together in partnerships, corporations, or other joint entities.

The Agency desires participation in redevelopment activities by as many owners as possible. However, participation opportunities shall necessarily be subject to and limited by such factors as the provision or expansion of public improvements and/or public utilities facilities; elimination and changing of land uses; realignment of streets; the ability of owners to finance acquisition and development activities in accordance with this Plan; development experience, where applicable, availability of franchises, whether the proposed activities conform to and further the goals and objectives of this Plan; and any change in the total number of individual parcels in the Redevelopment Area.

2. (507) Owner Participation Agreements

Under an Owner Participation Agreement, the participant shall agree to rehabilitate, develop, or use the property in conformance with this Plan and be subject to the provisions hereof. In the Owner Participation Agreement, participants who retain real property shall be required to join in the recordation of

such documents as are necessary to make the provisions of this Plan applicable to their properties.

Owner Participation Agreement shall include appropriate remedies such as the ability of the Agency to declare the Agreement terminated and acquire the real property or any interest therein, and sell or lease such real property or interest therein for rehabilitation or development in accordance with this Plan in the event a participant breaches the terms of such Owner Participation Agreement.

If conflicts develop between the desires of participants for particular sites or land uses, the Agency is authorized to establish reasonable priorities and preferences among the owners and tenants.

Where the Agency determines that a proposal for participation is not feasible, is not in the best interests of the Agency, or City, or that redevelopment can best be accomplished without affording a participant an opportunity to execute an Owner Participation Agreement, the Agency shall not be required to execute such an agreement.

D. (508) Implementing Rules

The provisions of Section 505 of this Plan shall be implemented according to the rules adopted by the Agency prior to the approval of the ordinance amending this Plan, which may be amended from time to time by the Agency. Such rules allow for Owner Participation Agreements with the Agency.

E. (509) Cooperation with Public Bodies

Certain public bodies are authorized by State law to aid and cooperate, with or without consideration, in the planning and implementation of activities authorized by this Plan. The Agency shall seek the aid and cooperation of such public bodies and shall attempt to coordinate the implementation of this Plan with the activities of such public bodies in order to accomplish the purposes of redevelopment and to achieve the highest public good.

The Agency may impose on all public bodies the planning and design controls contained in and authorized by this Plan to ensure that present uses and any future development by public bodies will conform to the requirements of this Plan. The Agency is authorized, to the extent permissible by law, to financially (and otherwise) assist public bodies in the cost of public land, buildings, facilities, structures or other improvements (within or outside the Redevelopment Area) where such land, buildings, facilities, structures, or other improvements are of benefit to the Redevelopment Area.

F. (510) Property Management

During such time as property, if any, in the Redevelopment Area is owned by the Agency, such property shall be under the management and control of the Agency. Such properties may be rented or leased by the Agency pending their disposition, and such rental or lease shall be pursuant to such policies as the Agency may adopt.

G. (511) Relocation of Persons Displaced by a Project

1. (512) Assistance for Relocation

The Agency shall provide assistance for relocation and shall make all of the payments required by Nevada Revised Statutes Chapter 342 for programs or projects for which federal financial assistance is received to pay all or any part of the cost of that program or project. The Agency may make such other payments as may be appropriate. The Agency may offer relocation assistance to persons, individuals, families, businesses, and others who may be displaced as a result of Plan implementation activities, in any form or manner that the Agency deems appropriate, including but not limited to financial payments or subsidies, site locator services, or other costs.

H. (513) Demolition, Clearance, Public Improvements, Site Preparation and Removal of Hazardous Waste

1. (514) Demolition and Clearance

The Agency is authorized, for property acquired by the Agency or pursuant to an agreement with the owner of property, to demolish, clear or move buildings, structures, or other improvements from any real property as necessary to carry out the purposes of this Plan.

2. (515) Public Improvements

To the extent permitted by law, the Agency is authorized to install and construct or to cause to be installed and constructed the public improvements and public utilities (within or outside the Redevelopment Area) necessary to carry out the purposes of this Plan. Specifically, the Agency may pay for, install, or construct the buildings, facilities, structures, and other improvements identified in Exhibit C, attached hereto, and may acquire or pay for land required therefor. Additionally, the Agency is authorized to install and construct, or to cause to be installed and constructed, within or without the Redevelopment Area, for itself or for any public body or entity for the benefit of the Redevelopment Area, public improvements, and public facilities, including, but not limited to: over or underpasses; bridges; streets; curbs; gutters; sidewalks; street lights; sewers; storm drains; traffic signals; electrical distribution systems' natural gas distribution systems; cable TV and fiber optic communication systems; water

distribution systems; parks; plazas; playgrounds; motor vehicle parking facilities; landscaped areas; schools; civic; cultural; recreational facilities; and pedestrian improvements.

The Agency, as it deems necessary to carry out the Plan and subject to the consent of the City Council, as may be required by the Redevelopment Law, may pay all or part of the value of the land for and the cost of the installation and construction of any building, facility, structure or other improvement which is publicly owned either within or outside the Redevelopment Area, upon both the Agency and the City Council making the applicable determinations required pursuant to the Redevelopment Law.

When the value of such land or the cost of the installation and construction of such building, facility, structure or other improvement, or both, has been, or will be, paid or provided for initially by the City or other public corporation, the Agency may enter into a contract with the City or other public corporation under which it agrees to reimburse the City or other public corporation for all or part of the value of such land or all or part of the cost of such building, facility, structure or other improvements, or both, by periodic payments over a period of years. Any obligation of the Agency under such contract shall constitute an indebtedness of the Agency for the purposes of carrying out this Plan.

3. (516) Preparation of Building Sites

Any real property owned or acquired by the Agency may be developed as a building site. In connection with such development it may cause, provide, or undertake or make provisions with other agencies for the installation, or construction of streets, utilities, parks, playgrounds and other public improvements necessary for carrying out this Plan.

I. (517) Rehabilitation, Moving of Structures by the Agency and Seismic Repairs

1. (518) Rehabilitation and Conservation

The Agency is authorized to rehabilitate and conserve, or to cause to be rehabilitated and conserved, any property, building or structure owned by the Agency. The Agency is also authorized to advise, encourage, and assist (through a loan program or otherwise) in the rehabilitation and conservation of property, buildings or structures in the Redevelopment Area not owned by the Agency to the extent permitted by the Redevelopment Law as it exists now or may be hereafter amended. The Agency is authorized to acquire, restore, rehabilitate, move and conserve buildings of historic or architectural significance.

The Agency is authorized to conduct a program of assistance and enforcement to encourage owners of property within the Redevelopment Area to upgrade and maintain their property consistent with this Plan and such standards as may be developed for the Redevelopment Area.

The extent of rehabilitation in the Redevelopment Area shall be subject to the discretion of the Agency based upon such objective factors as:

- a. Compatibility of rehabilitation with land uses as provided for in this Plan.
- b. Economic feasibility of proposed rehabilitation and conservation activity.
- c. Structural feasibility of proposed rehabilitation and conservational activity.
- d. The undertaking of rehabilitation and conservation activities in an expeditious manner and in conformance with the requirements of this Plan and such property rehabilitation standards as may be adopted by the Agency.
- e. The need for expansion of public improvements, facilities and utilities.
- f. The assembly and development of properties in accordance with this Plan.

The Agency may adopt property rehabilitation standards for the rehabilitation of properties in the Redevelopment Area.

2. (519) Moving of Structures

As necessary in carrying out this Plan, the Agency is authorized to move, or to cause to be moved, any building structures or other improvements from any real property acquired which can be rehabilitated to a location within or outside the Redevelopment Area.

3. (520) Seismic Repairs

For any project undertaken by the Agency within the Redevelopment Area for building rehabilitation or alteration in construction, the Agency may, by following all applicable procedures which are consistent with local, State, and federal law, take those actions which the Agency determines are necessary to provide for seismic retrofits.

J. (521) Property Disposition and Development

1. (522) Real Property Disposition and Development

a. (523) General

For the purposes of this Plan, the Agency is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest in real property. To the extent permitted by law, the Agency is authorized to dispose of real property by negotiated lease or sale without public bidding. Except as otherwise permitted by law, before any interest in property of the Agency acquired in whole or in part, directly or indirectly, with tax increment moneys is sold or leased for development pursuant to this Plan, such sale or lease shall be first approved by the City Council after public hearing, together with such findings as may then be required by State law.

The real property acquired by the Agency in the Redevelopment Area, except property conveyed to it by the City, shall be sold or leased to public or private persons or entities for improvement and use of the property in conformance with this Plan. Real property may be conveyed by the Agency to the City, and where beneficial to the Redevelopment Area, to any other public body without charge or for an amount less than fair market value.

All purchasers or lessees of property from the Agency shall be obligated to use the property for the purposes designated in this Plan, to begin and complete improvement of such property within a period of time which the Agency fixes as reasonable, and to comply with other conditions which the Agency deems necessary to carry out the purposes of this Plan.

During the period of redevelopment in the Redevelopment Area, the Agency shall ensure that all provisions of this Plan, and other documents formulated pursuant to this Plan, are being observed, and that development of the Redevelopment Area is proceeding in accordance with applicable development documents and time schedules.

All development, whether public or private, must conform to this Plan and all applicable federal, State, and local laws, including without limitation the City's Master Plan and zoning ordinance, and all other state and local building codes, guidelines, or specific plans as they now exist or are hereafter amended. Such development must receive the approval of all appropriate public agencies.

b. (524) Purchase and Development Documents

To provide adequate safeguards to ensure that the provisions of this Plan will be carried out and to prevent the recurrence of blight, all real property sold, leased, or conveyed by the Agency, as well as all property subject to Owner Participation Agreements, shall be made subject to the provisions of this Plan by leases, deeds, contracts, agreements, declarations of restrictions, provisions of the Master Plan and zoning ordinance, and all other state and local building codes, guidelines, or specific plans as they now exist or are hereafter amended, conditional use permits, or other means.

Leases, deeds, contracts, agreements, and declarations of restrictions of the Agency may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, equitable servitudes, or any other provisions necessary to carry out this Plan.

The Agency shall reserve such powers and controls in Disposition and Development Agreements or similar agreements as may be necessary to prevent transfer, retention, or use of property for speculative purposes and to ensure that redevelopment is carried out pursuant to this Plan.

2. (525) Personal Property Disposition

For the purposes of this Plan, the Agency is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber, or otherwise dispose of personal property.

3. (526) Prevention of Discrimination

The redeveloper shall comply with all state and local laws, in effect from time to time, prohibiting discrimination or segregation by reason of race, color, creed, religion, sex, marital status, national origin or ancestry, in the sale, lease or occupancy of the property.

SECTION VI. (600) USES PERMITTED IN THE REDEVELOPMENT AREA

A. (601) Map and Uses Permitted

The Map attached hereto as Exhibit A and incorporated herein illustrates the location of the Redevelopment Area boundaries. The land uses permitted by this Plan shall be those permitted by the Master Plan and zoning ordinance, and all other state and local building codes, guidelines, or specific plans as they now exist or are hereafter amended.

B. (602) Public Uses

1. (603) Public Street Layout, Rights-of-Way and Easements

The public street system and street layout for the Redevelopment Area is illustrated on the Map identified as Exhibit A. The street system in the Redevelopment Area shall be developed in accordance with the Master Plan and zoning ordinance, and all other state and local building codes, guidelines, or specific plans as they now exist or are hereafter amended.

Certain streets and rights-of-way may be widened, altered, abandoned, vacated, or closed by the City or State as necessary for proper development of the Redevelopment Area. Additional easements may be created by the Agency and City in the Redevelopment Area as needed for proper development and circulation.

The public rights-of-way shall be used for vehicular, bicycle and/or pedestrian traffic as well as for public improvements, public and private utilities, and activities typically found in public rights-of-way. In addition, all necessary easements for public uses, public facilities, and public utilities may be retained or created.

2. (604) Other Public and Open Space Uses

Both within and, where appropriate, outside of the Redevelopment Area, the Agency may take actions to establish, or enlarge public, institutional, or non-profit uses, including, but not limited to, schools, community centers, auditorium and civic center facilities, criminal justice facilities, park and recreational facilities, parking facilities, transit facilities, libraries, hospitals, educational, fraternal, philanthropic and charitable institutions or other similar associations or organizations. All such uses shall be deemed to conform to the provisions of this Plan provided that such uses conform with all other applicable laws and ordinances and that such uses are approved by the City. The Agency may impose such other reasonable restrictions as are necessary to protect development and uses in the Redevelopment Area.

C. (605) Nonconforming Uses

The Agency is authorized but not required to permit an existing use to remain in an existing building in good condition if the use does not conform to the provisions of this Plan, provided that such use is generally compatible with existing and proposed developments and uses in the Redevelopment Area.

The Agency may take actions to, but is not required to, authorize additions, alterations, repairs or other improvements in the Redevelopment Area for buildings which do not conform to the provisions of this Plan where, in the determination of the Agency, such

improvements would be compatible with surrounding Redevelopment Area uses and proposed development.

D. (606) Interim Uses

Pending the ultimate development of land by developers and participants, the Agency is authorized to use or permit the use of any land in the Redevelopment Area for interim uses not in conformity with the uses permitted in this Plan. Such interim use, however, shall conform to Master Plan and zoning ordinance, and all other state and local building codes, guidelines, or specific plans as they now exist or are hereafter amended.

E. (607) General Controls and Limitations

All real property in the Redevelopment Area is hereby made subject to the controls and requirements of this Plan. No real property shall be developed, redeveloped, rehabilitated, or otherwise changed after the date of the adoption of this Plan except in conformance with the goals and provisions of this Plan and the regulations and requirements of the Master Plan and zoning ordinance, and all other state and local building codes, guidelines, or specific plans as they now exist or are hereafter amended. The land use controls of this Plan shall apply for the periods set forth in Section 1000 below. The type, size, height, number and use of buildings within the Redevelopment Area will be controlled by the Master Plan and applicable zoning ordinance, and all other state and local building codes, guidelines, or specific plans as they now exist or are hereafter amended.

1. (608) New Construction

All construction in the Redevelopment Area shall comply with all applicable State and local laws including Section 279.500 of the Redevelopment Law in effect from time to time. In addition to applicable City land use regulations and requirements in the Redevelopment Area, additional specific performance and development standards may be adopted by the Agency to control and direct improvement activities in the Redevelopment Area.

2. (609) Rehabilitation

Any existing structure within the Redevelopment Area which the Agency enters into an agreement for retention and rehabilitation shall be repaired, altered, reconstructed, or rehabilitated in accordance with the applicable law and in such a manner that it will meet the following requirements: be safe and sound in all physical respects, be attractive in appearance and not detrimental to the surrounding uses.

3. (610) Number of Dwelling Units

The number of dwelling units in the Redevelopment Area shall be regulated by the Master Plan. As of the date of adoption of this Plan, there are approximately 1,400 units in the Redevelopment Area.

4. (611) Open Space and Landscaping

The approximate amount of open space to be provided in the Redevelopment Area is the total of all areas so designated in the Master Plan and zoning ordinance, and all other state and local building codes, guidelines, or specific plans as they now exist or are hereafter amended, and those areas in the public rights-of-way or provided through site coverage limitations on new development as established by the City and this Plan. Landscaping shall be developed in the Redevelopment Area to ensure optimum use of living plant material in conformance with the standards of the City.

5. (612) Limitations on Type, Size and Height of Buildings

The limits on building intensity, type, size and height, shall be established in accordance with the provisions of the Master Plan and zoning ordinance, and all other state and local building codes, guidelines, or specific plans as they now exist or are hereafter amended.

6. (613) Signs

All signs shall conform to the requirements of the City. Design of all proposed new signs shall be subject to the review of the City and the procedures of this Plan.

7. (614) Utilities

The Agency, in conformity with municipal code, and City policies, shall require that all utilities be placed underground whenever physically possible and economically feasible on projects funded in whole or in part by the Agency or subject to a Disposition and Development Agreement or an Owner Participation Agreement.

8. (615) Subdivision of Parcels

No parcels in the Redevelopment Area, including any parcel retained by a participant, shall be consolidated, subdivided or re-subdivided without the approval of the City.

9. (616) Variations

The Agency is authorized to permit variations from the limits, restrictions and controls established by this Plan. In order to permit any such variation, the Agency must determine all of the following:

- a. The application of certain provisions of this Plan would result in practical difficulties or unnecessary hardships inconsistent with the general purposes and intent of this Plan.
- b. There are exceptional circumstances or conditions applicable to the property or to the intended development of the property which do not apply generally to other properties having the same standards, restrictions, and controls.
- c. Permitting a variation will not be materially detrimental to the public welfare or injurious to property or improvements in the area.
- d. Permitting a variation will not be contrary to the objectives of this Plan.

No such variation shall be granted which permits other than a minor departure from the provisions of this Plan. In permitting any such variation, the Agency shall impose such conditions as are necessary to protect the public health, safety, or welfare, and to assure compliance with the purposes of this Plan.

F. (617) Design for Development

Within the limits, restrictions, and controls established in this Plan, and subject to the provisions of Sections 601 and 607 herein, the Agency is authorized to establish heights of buildings, land coverage, setback requirements, design criteria, traffic circulation, traffic access, and other development and design controls necessary for proper development of both private and public areas within the Redevelopment Area.

No new improvement shall be constructed, and no existing improvement shall be substantially modified, altered, repaired, or rehabilitated except in accordance with this Plan and any such controls approved by the Agency. In the case of property which is the subject of a Disposition and Development Agreement or an Owner Participation Agreement with the Agency, such property shall be developed in accordance with the provisions of such Agreement. One of the objectives of this Plan is to create an attractive and pleasant environment in the Redevelopment Area. Therefore, such plans shall give consideration to good design, open space and other amenities to enhance the aesthetic quality of the Redevelopment Area. The Agency shall not approve any plans that do not comply with this Plan except as permitted by Section 616 of this Plan.

G. (618) Building Permits

Any building permit that is issued for the rehabilitation or construction of any new building or any addition, construction, moving, conversion or alteration to an existing building in the Redevelopment Area from the date of adoption of this Plan must be in conformance with the provisions of this Plan, any design for development adopted by the Agency, any restrictions or controls established by resolution of the Agency, and any applicable participation or other agreements.

The Agency is authorized to establish permit procedures and approvals required for purposes of this Plan. A building permit shall be issued only after the applicant for same has been granted all approvals required by the City and the Agency at the time of application.

SECTION VII. (700) METHODS FOR FINANCING THE PROJECT

A. (701) General Description of the Proposed Financing Methods

Upon adoption of this Plan by the City Council, the Agency is authorized to finance implementation of this Plan with assistance from local sources, the State and/or the federal government, property tax increment, interest income, Agency bonds, donations, loans from private financial institutions, revenues of redevelopment projects, other Agency revenues, or any other legally available source.

The Agency is also authorized to obtain advances, borrow funds, issue bonds or other obligations, and create indebtedness in carrying out this Plan. The principal and interest on such indebtedness may be paid from tax increment revenue, revenues of redevelopment projects, other Agency revenues, or any other funds available to the Agency. Advances and loans for survey and planning and for the operating capital for administration of this Plan may be provided by the City until adequate tax increment revenue or other funds are available to repay the advances and loans. The City or other public agency, as it is able, may also supply additional assistance through issuance of bonds, loans and grants and in-kind assistance. Any assistance shall be subject to terms established by an agreement between the Agency, City and/or other public agency providing such assistance.

The Agency may issue bonds or other obligations and expend their proceeds to carry out this Plan. The Agency is authorized to issue bonds or other obligations as appropriate and feasible in an amount sufficient to finance all or any part of Plan implementation activities. The Agency shall pay the principal and interest on bonds or other obligations of the Agency as they become due and payable.

B. (702) Tax Increment Revenue

For the purposes of the collection of property tax revenue pursuant to this Plan, the "effective date of the ordinance" shall mean and refer to July 28, 1999 (30 days after the City Council adopted the Ordinance).

All taxes levied upon taxable property within the Redevelopment Area each year by or for the benefit of the State, County, City, district, or other public corporation (hereinafter called "Taxing Agency" or "Taxing Agencies") after the effective date of the ordinance, shall be divided as follows:

1. That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the Taxing Agencies upon the total sum of the assessed value of the taxable property in the Redevelopment Area as shown upon the assessment roll used in connection with the taxation of the property by the Taxing Agency, last equalized before the effective date of the ordinance, must be allocated to and when collected must be paid into the funds of the respective Taxing Agencies as taxes by or for such Taxing Agencies on all other property are paid. To allocate taxes levied by or for any Taxing Agency or Agencies which did not include the territory in the Redevelopment Area on the effective date of the ordinance but to which the territory has been annexed or otherwise included after the effective date, the assessment roll of the county last equalized on the effective date of the ordinance must be used in determining the assessed valuation of the taxable property in the Redevelopment Area on the effective date. If property which was shown on the assessment roll used to determine the amount of taxes allocated to the Taxing Agencies is transferred to the state and becomes exempt from taxation, the assessed valuation of the exempt property as shown on that assessment roll must be subtracted from the assessed valuation used to determine the amount of revenue allocated to the Taxing Agencies.
2. Except as otherwise provided in paragraphs (3) and (4) of this section and Nevada Revised Statutes, Section 540A.265, that portion of the levied taxes each year in excess of the amount set forth in paragraph (1) of this section must be allocated to and when collected must be paid into a special fund of the Agency to pay the costs of redevelopment and to pay the principal of and interest on loans, money advanced to, or indebtedness, whether funded, refunded, assumed, or otherwise, incurred by the Agency to finance or refinance, in whole or in part, redevelopment. Unless the total assessed valuation of the taxable property in the Redevelopment Area exceeds the total assessed value of the taxable property in the Redevelopment Area as shown by the last equalized assessment roll referred to in paragraph 1 of this section, all of the taxes levied and collected upon the taxable property in the Redevelopment Area must be

paid into the funds of the respective Taxing Agencies. When the Plan is terminated pursuant to the provisions of 279.438 and 279.439 of the Redevelopment Law, and all loans, advances, and indebtedness, if any, and interest thereon, have been paid, all money thereafter received from taxes upon the taxable property in the Redevelopment Area must be paid into the funds of the respective Taxing Agencies as taxes on all other property are paid.

3. That portion of the taxes in excess of the amount set forth in subparagraph 1 of this section that is attributable to a tax rate levied by a Taxing Agencies to produce revenues in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness that was approved by the voters of the Taxing Agency on or after November 5, 1996, must be allocated to and when collected must be paid into the debt service fund of that taxing agency.
4. That portion of the taxes in excess of the amount set forth in subparagraph 1 of this section that is attributable to a new or increased tax rate levied by a taxing agency and was approved by the voters of the Taxing Agency on or after November 5, 1996, must be allocated to and when collected must be paid into the appropriate fund of the Taxing Agency.

Whenever property in the Redevelopment Area is redeveloped and thereafter is leased by the Agency to any person or persons, or whenever the Agency leases real property in any Redevelopment Area to any person or persons for redevelopment, the property shall be assessed and taxed in the same manner as privately owned property, and the lease or contract shall provide that the lessee shall pay taxes upon the assessed value of the entire property and not merely upon the assessed value of his or its leasehold interest.

The Agency is authorized to irrevocably pledge the portion of taxes mentioned in subparagraph 2 above for the payment of principal of and interest on loans, advances or indebtedness (whether funded, refunded, assumed, or otherwise by the Agency) to finance or refinance, in whole or in part, the Project.

C. (703) Agency Bonds

The Agency is authorized to issue bonds and other obligations as it may determine and as authorized under the Redevelopment Law. Any such bonds or other obligations may be additionally secured by a pledge of any revenue or by an encumbrance by mortgage, deed of trust or otherwise of any redevelopment project or other property of the Agency, or by a pledge of taxes referred to in paragraph 2 of Section 702 of this Plan.

Neither the members of the Agency nor any persons executing the bonds are liable personally on the bonds by reason of their issuance.

Unless the full faith and credit of the City is pledged as provided in the Redevelopment Law, the bonds and other obligations of the Agency are not a debt of the community, the state or any of its political subdivisions and neither the community, the state nor any of its political subdivisions is liable on them, nor in any event shall the bonds or obligations be payable out of any funds or properties other than those of the Agency; and such bonds and other obligations shall so state on their face. Unless the full faith and credit of the City is pledged, the bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

D. (704) Other Loans and Grants

Any other loans, grants, guarantees or financial assistance from the federal government, the State, or any other public or private source will be utilized, if available, as appropriate in carrying out this Plan. In addition, the Agency may make loans as permitted by law to public or private entities for any of its redevelopment purposes.

E. (705) Projected Financial Resources and Economic Feasibility

It is anticipated that the principal financing source for Project implementation will be tax increment revenue. Table A presents a preliminary projection of the potential tax increment revenues which could be generated by the Redevelopment Area. The tax increment revenue projections incorporate the following assumptions:

1. 1999-00 Assessment Roll Base Year Value. The tax increment projections assume that the 1999-2000 tax roll will be used by the County Assessor to compute the base year value of the Redevelopment Area. The 1999-2000 tax roll will not be finalized until June 1999, so the 1999-2000 base year value in Table A was estimated by applying the growth rate assumptions (described in subsection 3 below) to the 1998-99 secured assessment roll value of \$61,236,435. The estimated 1999-00 secured base year value is \$66,288,532, and excludes unsecured and utility values. The assumed base year value is based on a parcel-by-parcel compilation of the 1998-99 secured assessed values for the 558 parcels in the Redevelopment Area. Unsecured and utility values were not accessible to include in this analysis; however, due to the capricious nature of these values, it is prudent to assume no growth of these values and, therefore, no tax increment revenue.
2. New Development. As summarized on Table B, value increases resulting from new development anticipated to occur over next fifteen years were factored into these projections.
3. Assessed Value Growth Assumptions. The projections incorporate a 5% annual increase in secured assessed values.
4. Tax Increment Levy. The projections incorporate an assumption that the City's current \$3.22 levy rate will remain constant for the 30-year duration of the Redevelopment Area.

ASSESSED VALUE & TAX INCREMENT REVENUE FORECAST
Sparks Redevelopment Area 2

TABLE A

Fiscal Year (June 30)	PROJECTED ASSESSED VALUES			Incremental Value	Gross Tax Increment \$ 3.2200	Cumulative	Net Present Value
	Secured AV (5% Growth)	New Development	TOTAL				
1999	61,236,435		61,236,435				
BY 2000	64,298,257	1,990,275	66,288,532				
2 2001	69,602,958	-	69,602,958	3,314,427	106,725	106,725	94,095
3 2002	73,083,106	-	73,083,106	6,794,575	218,785	325,510	275,216
4 2003	76,737,262	2,452,170	79,189,432	12,900,900	415,409	740,919	598,123
5 2004	83,148,904	11,525,322	94,674,225	28,385,693	914,019	1,654,938	1,265,248
6 2005	99,407,936	3,907,739	103,315,675	37,027,144	1,192,274	2,847,212	2,082,354
7 2006	108,481,459	10,460,913	118,942,372	52,653,840	1,695,454	4,542,666	3,173,389
8 2007	124,889,491	6,629,020	131,518,511	65,229,979	2,100,405	6,643,071	4,442,520
9 2008	138,094,436	6,827,891	144,922,327	78,633,795	2,532,008	9,175,079	5,879,063
10 2009	152,168,444	7,032,727	159,201,171	92,912,639	2,991,787	12,166,866	7,472,865
11 2010	167,161,230	15,804,457	182,965,686	116,677,154	3,757,004	15,923,871	9,352,165
12 2011	192,113,971	8,817,570	200,931,540	134,643,009	4,335,505	20,259,376	11,388,477
13 2012	210,978,117	9,082,097	220,060,214	153,771,682	4,951,448	25,210,824	13,572,149
14 2013	231,063,225	9,354,560	240,417,785	174,129,253	5,606,962	30,817,786	15,893,993
15 2014	252,438,674	9,635,197	262,073,870	195,785,339	6,304,288	37,122,074	18,345,268
16 2015	275,177,564	-	275,177,564	208,889,032	6,726,227	43,848,300	20,800,982
17 2016	288,936,442	-	288,936,442	222,647,910	7,169,263	51,017,563	23,258,695
18 2017	303,383,264	-	303,383,264	237,094,732	7,634,450	58,652,014	25,716,145
19 2018	318,552,427	-	318,552,427	252,263,896	8,122,897	66,774,911	28,171,241
20 2019	334,480,049	-	334,480,049	268,191,517	8,635,767	75,410,678	30,622,046
21 2020	351,204,051	-	351,204,051	284,915,520	9,174,280	84,584,958	33,066,772
22 2021	368,764,254	-	368,764,254	302,475,722	9,739,718	94,324,676	35,503,769
23 2022	387,202,467	-	387,202,467	320,913,935	10,333,429	104,658,105	37,931,517
24 2023	406,562,590	-	406,562,590	340,274,058	10,956,825	115,614,929	40,348,614
25 2024	426,890,719	-	426,890,719	360,602,188	11,611,390	127,226,320	42,753,774
26 2025	448,235,255	-	448,235,255	381,946,724	12,298,684	139,525,004	45,145,816
27 2026	470,647,018	-	470,647,018	404,358,486	13,020,343	152,545,347	47,523,659
28 2027	494,179,369	-	494,179,369	427,890,837	13,778,085	166,323,432	49,886,311
29 2028	518,888,337	-	518,888,337	452,599,806	14,573,714	180,897,146	52,232,871
30 2029	544,832,754	-	544,832,754	478,544,223	15,409,124	196,306,270	54,562,516
Cumulative Total					196,306,270		

NOTES:

Total Project Value excludes unsecured and public utility assessments.

NEW DEVELOPMENT FORECAST
Sparks Redevelopment Area 2.

TABLE B

Location	Marina Village Development Program					Ghiggeri (1)	Blume (2)	Eagle	GRAND TOTAL
Project	Affordable Apts	Luxury Apts	Hotel	Commercial	Single Family	Planned Dev.	Tourist Comm.	Hardware (3)	
Units	136	232	118	14	72	492	555	n/a	1,613
Gross Building Area	131,468	268,280	73,604	12,182	233,616	1,026,600	1,220,000	220,000	3,405,740
Estimated Value	10,449,587	19,262,000	11,025,714	1,370,458	12,823,333	77,000,000	91,000,000	6,600,000	229,551,092
Start Date	2001	2002	2003	2002	2000	2001	2002	Under Const.	
Completion Date	2002	2004	2004	2003	2002	2007	2008	1998	
Assessed Value (35%)	3,657,355	6,741,700	3,859,000	479,660	4,488,167	26,950,000	31,850,000	1,990,275	80,015,117
Annual Phasing (With 3% Inflation)									
1999-00	0	0	0	0	0	0	0	1,990,275	1,990,275
2000-01	0	0	0	0	0	0	0	0	0
2001-02	0	0	0	0	0	0	0	0	0
2002-03	0	0	0	0	2,452,170	0	0	0	2,452,170
2003-04	4,116,385	0	4,343,338	539,862	2,525,735	0	0	0	11,525,320
2004-05	0	3,907,739	0	0	0	0	0	0	3,907,739
2005-06	0	4,024,971	0	0	0	6,435,942	0	0	10,460,913
2006-07	0	0	0	0	0	6,629,020	0	0	6,629,020
2007-08	0	0	0	0	0	6,827,891	0	0	6,827,891
2008-09	0	0	0	0	0	7,032,727	0	0	7,032,727
2009-10	0	0	0	0	0	7,243,709	8,560,747	0	15,804,456
2010-11	0	0	0	0	0	0	8,817,570	0	8,817,570
2011-12	0	0	0	0	0	0	9,082,097	0	9,082,097
2012-13	0	0	0	0	0	0	9,354,560	0	9,354,560
2013-14	0	0	0	0	0	0	9,635,197	0	9,635,197

(1) 79 acre parcel. Assumes 35 acres single family (7.2 du/ac), 20 acres townhomes (12 du/ac), 17 acres (165,000 gba) neighborhood retail, and 7 acres office

(2) 82 acre parcel. Assumes 40 acres Business Park, 35 acres Regional Retail Center, and 7 acres Hotel

(3) Assessed value reduced by 1997-98 improvement value of vacated home improvement center at same location.

Sources: Marina Area Plan (December 1997), City of Sparks, RSG

Summary of Projected Revenues

The Redevelopment Area is projected to generate approximately \$196,306,270 in tax increment revenue over the 30-year duration of the redevelopment plan. To relate this cumulative amount of tax increment revenues in today's (1999) dollars, the "net present value" of this cumulative tax increment revenue projection was calculated. A net present value reflects the discounted value of a revenue stream, adjusting for inflation, uncertainty, and time. Assuming a 6.5% discount rate, the net present value of the projected revenues is \$54,562,516.

The chart below summarized the cumulative amounts of tax increment revenue the Agency could collect from the Redevelopment Area over a 5, 10 and 30 year period.

Projected Revenues	5 Years	10 Years	30 Years
Cumulative Revenues	\$1,654,938	\$12,166,866	\$196,306,270
Present Value of Cumulative Revenues	1,265,248	7,472,865	54,562,516

Exhibit C to this Plan is a list of potential public infrastructure and other redevelopment programs the Agency desires to implement in the Redevelopment Area. The estimated cost of these projects and programs is \$54.0 million in 1999 dollars, including \$26.5 million of infrastructure improvement costs, and \$27.5 million of rehabilitation, economic development, and public facility project costs. (These project costs are based upon preliminary estimates available as of the time of adoption of this Plan, and may differ as the Project is implemented.)

Because this total program cost estimate of \$54.0 million is approximately equal to the present value of the projected Redevelopment Area tax increment revenues of \$54,562,516, the Project is financially feasible. Further, if these resources are combined with other City economic development funds, additional investment could be made in improving Redevelopment Area properties.

SECTION VIII. (800) ACTIONS BY THE CITY

The City shall aid and cooperate with the Agency in carrying out this Plan and shall take all reasonable actions necessary to ensure the continued fulfillment of the purposes of this Plan and to prevent the recurrence or spread in the Redevelopment Area of conditions of blight. Actions by the City may include, but shall not be limited to, the following:

1. Institution and completion of proceedings for opening, closing, vacating, widening, or changing the grades of streets, alleys, and other public rights-of-way, and for other necessary modifications of the streets, the street layout, and other public rights-of-way in the Redevelopment Area. Such action by the City shall include the requirement of abandonment and relocation by the public utility companies of their operations in public rights-of-way as appropriate to carry out this Plan, provided that nothing in this Plan shall be deemed to require the cost of such abandonment,

removal, and relocation to be borne by others than those legally required to bear such costs.

2. Institution and completion of proceedings necessary for changes and improvements to publicly-owned parcels and utilities in the Redevelopment Area.
3. Performance of the above, and of all other functions and services relating to public health, safety, and physical development normally rendered in accordance with a schedule which will permit the redevelopment of the Redevelopment Area to be commenced and carried to completion without unnecessary delays.
4. Imposition, whenever necessary and applicable, of appropriate design controls within the limits of this Plan in the Redevelopment Area to ensure proper development and use of land.
5. Provisions for administration/enforcement of this Plan by the City after completion of development.
6. The undertaking and completion of any other proceedings necessary to carry out the Project.
7. The expenditure of any City funds in connection with redevelopment of the Redevelopment Area pursuant to this Plan.
8. Revision of the City zoning ordinance, adoption of specific plans or execution of statutory development agreements to permit the land uses and facilitate the development authorized by this Plan.

SECTION IX. (900) ADMINISTRATION AND ENFORCEMENT

Upon adoption, the administration and enforcement of this Plan or other documents implementing this Plan shall be performed by the City and/or the Agency, as appropriate.

The provisions of this Plan or other documents entered into pursuant to this Plan may also be enforced by litigation or similar proceedings by either the Agency or the City. Such remedies may include, but are not limited to, specific performance, damages, re-entry onto property, power of termination, or injunctions. In addition, any recorded provisions which are expressly for the benefit of owners of property in the Redevelopment Area may be enforced by such owners.

SECTION X. (1000) PLAN LIMITATIONS

The following financial and time limitations shall apply to this Plan:

A. (1001) Time Frame on Issuing Securities or Incurring Indebtedness

Securities must not be issued and no indebtedness may be incurred in any other manner, by or on behalf of the Agency to finance, in whole or in part, the Plan beyond 20 years after the date on which the Ordinance adopting this Plan is adopted, except that the Agency may enter into leases or incur indebtedness at any time before the termination of the Plan if the leases are terminated and the indebtedness is fully repaid no later than the termination of the Plan. The maturity date of any securities which are refunded must not extend beyond the date of termination of the Plan.

Any securities issued by or on behalf of the Agency to finance, in whole or in part, redevelopment pursuant to 279.620 to 279.626, inclusive, and 279.634 to 279.672, inclusive of the Redevelopment Law, must mature and be fully paid, including any interest thereon, before the termination of the Plan.

B. (1002) Termination of This Plan

The provisions of this Plan shall be effective, and the provisions of other documents formulated pursuant to this Plan shall be effective for thirty (30) years from the date of adoption of the Ordinance adopting this Plan.

SECTION XI. (1100) PROCEDURE FOR AMENDMENT

This Plan may be amended by means of the procedures established in the Redevelopment Law.

EXHIBIT A

**REDEVELOPMENT AREA 2
MAP**

EXHIBIT B

**REDEVELOPMENT AREA 2
LEGAL DESCRIPTION**

EXHIBIT C

**PROPOSED REDEVELOPMENT
PROGRAMS AND PROJECTS**

EXHIBIT C
PROPOSED REDEVELOPMENT PROGRAMS AND PROJECTS

REDEVELOPMENT PLAN FOR
REDEVELOPMENT AREA 2
SPARKS REDEVELOPMENT AGENCY

ODDIE BOULEVARD AREA

PROPOSED PROGRAMS AND PROJECTS

Infrastructure Programs

Improve pedestrian, bicycle and vehicular traffic flows, upgrade utilities and drainage systems, upgrade sanitary sewer systems, install or refurbish traffic signals, street signs and streetscape, reconstruct streets, and enhance public safety. Project locations include, but are not limited to, the following:

1. **Orovada Street:** City Limits to Greenbrae Drive
2. **Greenbrae Drive:** Orovada Street to Covina Drive
3. **Capurro Way:** El Rancho Drive to Sullivan Lane
4. **Covina Drive:** Greenbrae to Verano
5. **Oddie Boulevard:** West City Limit to Rock Boulevard *UC*
6. **Oddie Boulevard Frontage Road:** Rock Boulevard to Westerly End
7. **Merchant Street:** Sullivan to Commerce
8. **El Rancho Boulevard:** Southern Project Limits to Capurro Way
9. **Sullivan Lane:** Pauline Avenue to Capurro Way
10. **Commerce Street:** Rock to Oddie Frontage Road
11. **Exchange Street:** South Cul-de-sac to Frontage Road
12. **Rock Boulevard:** Mellen Street to Oddie

was all this done?

Commercial Rehabilitation and Economic Development Programs

Revitalize deteriorating commercial and residential areas. Projects include, but are not limited to, the following:

1. Façade improvements for K-Mart store and adjoining commercial space at Oddie and Sullivan.
2. Facilitate development of vacant lots adjacent to Eagle Hardware and the State Employment Office.
3. Revitalize northeast corner of Oddie Boulevard and Sullivan Lane by integrating existing shopping center with vacant parcel.
4. Work with property owners of vacant or obsolete commercial space along Oddie Boulevard, between Rock and Sullivan, and on both sides of Rock Boulevard south of Oddie Boulevard to the southern boundary of this area to redevelop and redesign existing structures, parking areas, landscaping, lighting, signs, and improve access.
5. Facilitate minor exterior improvements and cleanup.
6. Provide assistance to residential developments along Oddie, Greenbrae and Merchant.

*Focus = retail
now more need
for MF*

SOUTHWEST INDUSTRIAL AREA

PROPOSED PROGRAMS AND PROJECTS

Infrastructure Programs

Improve pedestrian, bicycle and vehicular traffic flows, upgrade utilities and drainage systems, upgrade sanitary sewer systems, install or refurbish traffic signals, street signs and streetscape, reconstruct streets and enhance public safety. Project locations include, but are not limited to, the following:

1. Pacific Avenue: South 19th Street to South 21st Street
2. Crane Way: South 18th Street to East End
3. Frazer Avenue: South 21st Street to East End
4. Hymer Avenue: South 21st Street to East End
5. Pittman Avenue: South 18th Street to East End
6. Shaber Avenue: South 18th Street to South 15th Street
7. Glendale Avenue: South 21st Street to South 15th Street
8. Freeport Boulevard: South 21st Street to Rock Boulevard
9. Greg Street: Truckee River Bridge to South Rock Boulevard
10. South 21st Street: Greg Street to Pacific Avenue
11. South 19th Street: Hymer Avenue to Pacific Avenue
12. South 18th Street: Glendale Avenue to Crane Way
13. South Rock Boulevard: Glendale Avenue to Hymer Avenue
14. South 16th Street: Glendale Avenue to Hymer Avenue
15. South 15th Street: Glendale Avenue to Hymer Avenue

done?

Commercial Rehabilitation and Economic Development Programs

Revitalize deteriorating retail and industrial areas. Projects include, but are not limited to, the following:

1. Façade improvements for obsolete retail and commercial centers.
2. Develop and renovate industrial areas, including incompatible uses and uses operating in substandard facilities.
3. Reconfigure and expand parking facilities. *
4. Facilitate lot consolidation to provide developable lots.
5. Facilitate minor exterior improvements and cleanup.
6. Partner with the Airport Authority of Washoe County to acquire property for redevelopment of blighted lots.
7. Acquire access easements to private property, where feasible, to provide joint access points from arterial streets within the Redevelopment Area.

done?

MARINA AREA

PROPOSED PROGRAMS AND PROJECTS

Infrastructure Programs

Improve pedestrian, bicycle and vehicular traffic flows, upgrade utilities and drainage systems, upgrade sanitary sewer systems, install or refurbish traffic signals, street signs and streetscape, reconstruct streets and enhance public safety. Project locations include, but are not limited to, the following:

1. Howard Drive: Sparks Marina Park to East Prater Way
2. East Lincoln Way: North McCarran Boulevard to Sparks Boulevard
3. Marina Drive: East Prater to East Lincoln Way
4. Sparks Boulevard: East Prater to On-Ramp at I-80
5. Future north-south collector from East Lincoln Way to Prater from Sparks Marina Park.
6. Other public streets associated with new development.

Public Facility Programs

Develop and renovate community facilities that meet the needs of Project Area residents.

1. Develop or acquire new city hall.
2. Facilitate development of recreational facilities in the Marina Area. *done*

Commercial Rehabilitation and Economic Development Programs

Revitalize deteriorating commercial, residential and recreational areas. Projects include, but are not limited to, the following:

1. Encourage development of complimentary commercial, tourist, and residential uses near the Marina park facility within the Marina Area Plan. *done*
2. Redevelop the vacated outlet mall and abandoned building pad. *done*

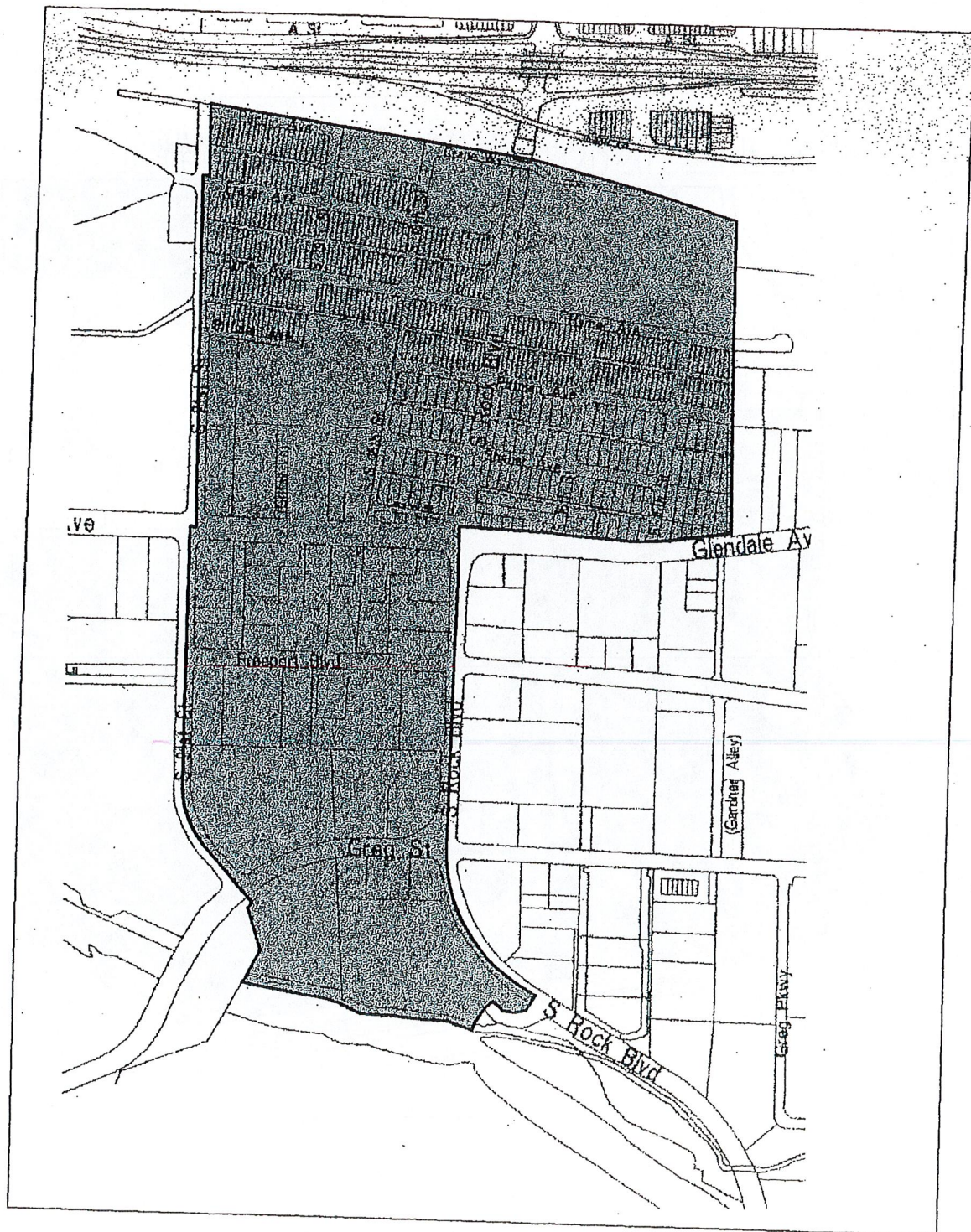


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SPARKS REDEVELOPMENT
AREA 2
SW INDUSTRIAL AREA

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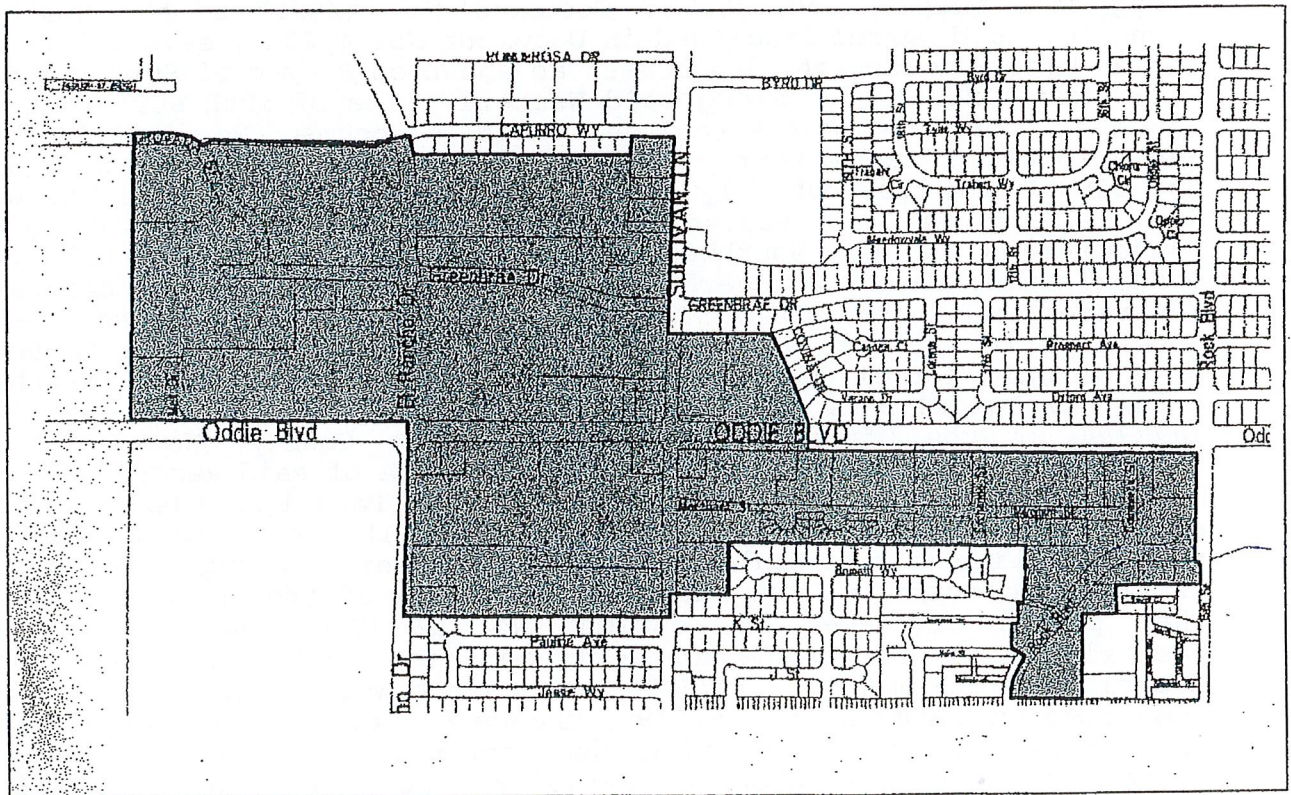
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SPARKS REDEVELOPMENT
AREA 2
ODDIE BLVD AREA

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LEGAL DESCRIPTION
SPARKS REDEVELOPMENT AREA 2
ODDIE BOULEVARD AREA

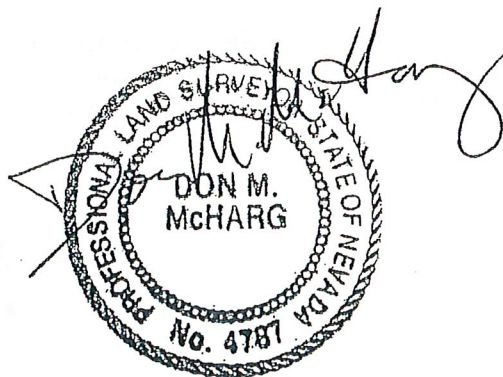
The boundaries of the Oddie Boulevard Area are described as follows:

Beginning at the Southeast corner of Parcel B as shown on Parcel Map Number 2803, File No. 1796926 of the Official Records of Washoe County, Nevada; thence Southerly to the South line of Oddie Boulevard; thence Easterly, along the Southerly line of Oddie Boulevard to the West line of Rock Boulevard; Thence along the West line of Rock Boulevard and its extension Southerly to the Northerly line of that parcel described in Document No. 428317, said point being on the Southerly line of Rock Boulevard as shown on Record of Survey Map No. 972; thence Easterly along said parcel described in Document No. 428317 to the Northeast corner of said parcel described in Document No. 428317, said point being on the Westerly line of 15th Street as shown on Record of Survey Map No. 972; thence Southerly, along said Westerly line of 15th street, to the Southeast corner of said Parcel described in Document No. 428317; thence Westerly along the Southerly line of said parcel described in Document No. 428317 and the Southerly line of that parcel described in Document No. 2079953 and the Southerly line of the Rock Boulevard Office Condominiums, to the Southwest corner of said Rock Boulevard Office Condominiums; thence Southerly, along the Easterly line of that parcel described in Document No. 715531, to the Southeast corner of said parcel described in Document No. 715531; thence Westerly along the Southerly line of said parcel described in Document No. 715531 to the Northwest corner of Parcel B as shown on Record of Survey Map No. 1837, File No. 1077394 of the Official Records of Washoe County, Nevada; thence Southerly, along the Easterly line of Parcel A of said Record of Survey Map No. 1837 to the Southeast corner of said Parcel A; thence Westerly along the Southerly line of said Parcel A and its extension Westerly, to the Centerline of Rock Boulevard; thence Northerly, along the centerline of Rock Boulevard, to the Easterly extension of the Southerly line of that parcel described in Document No. 1977795; thence along said easterly extension and the Southerly and Westerly lines of said parcel described in Document No. 1977795 to the Northwest corner of said parcel described in Document No. 1977795; thence Easterly, along the Northerly line of said parcel described in document no. 1977795 to the Southeast corner of Parcel 1 as shown on Parcel Map No. 370, File No. 446365 of the Official Records of Washoe County, Nevada; thence Northerly, along the Easterly line of said Parcel 1 of Parcel Map No. 370 to the Northeast corner of said Parcel 1 of Parcel Map NO. 370; thence Westerly, along the Northerly line of said Parcel Map No. 370 and the Southerly line of Oddie Boulevard Commercial Estates and the Southerly line of Merchant Court, an R2 Planned unit Development, to the Northwest corner of Brunetti Subdivision No. 1, Subdivision Tract Map No. 687; thence Southerly along the Westerly line of said Brunetti Subdivision No. 1, to the Southwest corner of said Brunetti Subdivision No. 1 and the Northerly line of the Frederic Addition to the City of Sparks, Subdivision Tract Map No. 539; thence Westerly along said Northerly line of the Frederic Addition to the City of Sparks to the centerline of Sullivan Lane; thence Southerly along the centerline of Sullivan Lane to the Northeast corner of Sierra Valley Estates, Subdivision Tract Map No.

766, File No. 358927 of the Official Records of Washoe County, Nevada; thence Westerly along the Northerly line of said Sierra Valley Estates and its extension Westerly, to the Centerline of El Rancho Drive; thence Northerly along the centerline of El Rancho Drive to the Northerly line of Oddie Boulevard; thence Westerly along the Northerly line of Oddie Boulevard to the Westerly City Limits line of the City of Sparks; thence Northerly along the Westerly City Limits line to the Northerly line of Orovada Street and the Southwest corner of Parcel 2 as shown on Parcel Map No. 1439, File No. 844130 of the Official Records of Washoe County, Nevada; thence Easterly along the Southerly line of said Parcel 2 of Parcel Map No. 1439 and its extension Easterly to the centerline intersection of El Rancho Drive and Capurro Way; thence Easterly along the centerline of Capurro Way to the Easterly line of El Rancho Drive; thence Southerly along the Easterly line of El Rancho Drive to the Westerly extension of the Southerly line of Lot 12 of Sierra Woods Estates, Subdivision Tract Map No. 1596, File No. 422704 of the Official Records of Washoe County, Nevada; thence Easterly along said Westerly extension and the Southerly line of said Tract Map No. 1596 to the Southeast corner of Lot 9 of said Tract Map No. 1596; thence Easterly to the Southwest corner of Lot 8 of said Tract Map No. 1596; thence Easterly along the Southerly line of said Tract Map No. 1596 to the Southeast corner of Lot 1 of said Sierra Woods Estates; thence Northerly to the Northwest corner of Parcel B as shown on said Sierra Woods Estates; thence Easterly and Southerly along the Boundary of said Parcel B to the Southeast corner of said Parcel B; thence Southerly along the Westerly line of Sullivan Lane to Westerly extension of the Northerly line of Parcel Map No. 2803, File No. 1796926 of the Official Records of Washoe County, Nevada; thence Easterly along said Westerly extension and the Northerly line of said Parcel Map No. 2803 to the Northeast corner of Parcel B of said Parcel Map No. 2803; thence along the Easterly line of said Parcel B to the Southeast corner of said Parcel B and the Point of Beginning.

This legal description was written to define the exterior boundary of the Sparks Redevelopment Area 2 and was prepared from Record information only and does not represent the results of a field survey.

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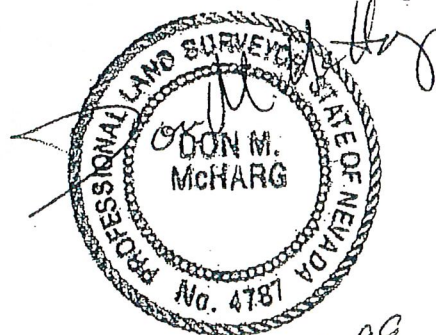


LEGAL DESCRIPTION
SPARKS REDEVELOPMENT AREA 2
MARINA AREA

The boundaries of the Marina Area are described as follows:

Beginning at the Southeast corner of Parcel C as shown on Parcel Map No. 930, File No. 627277 of the Official Records of Washoe County, Nevada, said point begin at the intersection of the Westerly line of Sparks Boulevard and Northerly line of Section 10, Township 19 North, Range 20 East, M.D.M., Sparks, Washoe County Nevada; thence Southerly, along the Westerly line of Sparks Boulevard, to the Northerly right-of-way line of Interstate Highway 80; thence Westerly, along the Northerly right-of-way line of Interstate Highway 80, to the City Limits line as established by Ordinance No. 786 adopted by the Sparks City Council on February 9, 1970; thence Northerly along said City Limits line and the centerline of Howard Drive, to the centerline of East Lincoln Way; thence Northerly, along the centerline of Howard Drive, to the Westerly extension of Parcel 2 as shown on Record of Survey Map No. 2950, File No. 1943619 of the Official Records of Washoe County, Nevada; thence Easterly along the Northerly line of said Parcel 2, to the Northeast corner of said Parcel 2; thence Northerly, along the Westerly line of Parcel 1 as shown on said Record of Survey Map No. 2950 and its extension Northerly to the centerline of East Prater Way; thence easterly, along the centerline of East Prater Way to the Northerly extension of the Westerly line of Sparks Boulevard; thence Southerly along the Westerly line of Sparks Boulevard, to the Southeast corner of Parcel A of Parcel Map No. 930, File No. 627277 of the Official Records of Washoe County, Nevada; thence Westerly along the Southerly line of said Parcel A, to the Southwest corner of said Parcel A; thence Southerly, Westerly, and Southerly along the Westerly line of Parcel B of said Parcel Map No. 930, to the Southwest corner of said Parcel B; thence Easterly along the Southerly line of said Parcel B, to the Southeast corner of said Parcel B; thence Southerly along the Easterly line of Parcel C as shown on said Parcel Map No. 930, to the Southeast corner of said Parcel C and the Point of Beginning.

This legal description was written to define the exterior boundary of the Sparks Redevelopment Area 2 and was prepared from Record information only and does not represent the results of a field survey.

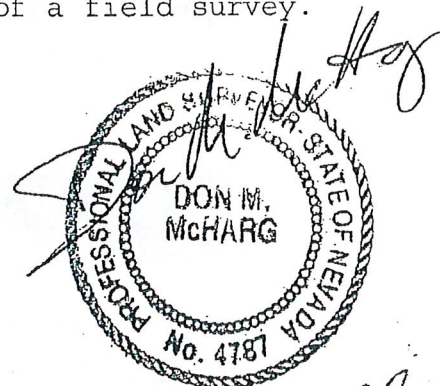


LEGAL DESCRIPTION
SPARKS REDEVELOPMENT AREA 2
SOUTHWEST INDUSTRIAL AREA

The boundaries of the Southwest Industrial Area are described as follows:

Beginning at a point where the Easterly line of Twentyfirst Street intersects the Southerly line of the Union Pacific Railroad (formerly Southern Pacific Railroad); thence Easterly along the Southerly line of the Union Pacific Railroad to the Northerly extension of the Easterly line of Block 23 as shown on the Official Plat of the Town of Sparks, Washoe County, Nevada, Subdivision Tract Map No. 117; thence along the Northerly extension of the Easterly line of said Block 23 and the Easterly line of Blocks 23, 24, 35, and 36 of said Subdivision Tract Map No. 117 to the Northerly line of Glendale Avenue; thence Westerly, along the Northerly line of Glendale Avenue, to the centerline of Rock Boulevard; thence Southerly, along the centerline of Rock Boulevard, 2550 feet more or less, to the Easterly Extension of the Southerly line of Parcel B as shown on Record of Survey Map No. 1306; thence Westerly, along said Easterly extension and the Southerly line of said Parcel B to the Southwest corner of said Parcel B; thence Westerly, along the Southerly line of Parcel No. 4 as shown on Parcel Map No. 250, File No. 404626 of the Official Records of Washoe County, Nevada, to the Easterly right-of-way line of Greg Street; thence Northerly, along the Easterly line of Greg Street to the Southerly extension of the centerline of Twentyfirst Street; thence Northerly along the centerline of Twentyfirst Street, to the Westerly extension of the Northerly line of Frazer Avenue; thence Easterly along said Westerly extension, to the Easterly line of Twentyfirst Street; thence Northerly, along the Easterly line of Twentyfirst Street to the Southerly line of the Union Pacific Railroad, to the Point of Beginning.

This legal description was written to define the exterior boundary of the Sparks Redevelopment Area 2 and was prepared from Record information only and does not represent the results of a field survey.



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Redevelopment Area 2

Rules and Guidelines Governing Participation by Property Owners

Prepared for:

*Sparks Redevelopment Agency
431 Prater Way
Sparks, Nevada 89432*



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I. PURPOSE AND INTENT

These Rules and Guidelines Governing Participation by Property Owners in Redevelopment Area 2 are adopted pursuant to the Community Redevelopment Law of the State of Nevada in order to implement the provisions of the Redevelopment Plan for Redevelopment Area 2 ("Plan"), regarding participation by, and the extension of reasonable preferences to, property owners within the Redevelopment Area 2 ("Redevelopment Area") as delineated on the map attached herewith as Exhibit A. These rules and guidelines set forth the procedures governing such participation and preferences.

It is the intention of the Sparks Redevelopment Agency ("Agency") to encourage and permit participation in the redevelopment of the Redevelopment Area by owners of real property within the boundaries of the Redevelopment Area of the Plan.

In addition to the opportunities for participation by individual persons and firms, participation may be made available to two or more real property owners, firms or institutions to join together in partnerships, corporations or other joint entities in accord with the objectives of the Plan.

II. DEFINITIONS

As used herein, the following definitions apply:

- (1) "Agency" means the Sparks Redevelopment Agency.
- (2) "Owner" means any person, persons, corporation, association, partnership or other entity holding title of record to real property in the Redevelopment Area.
- (3) "Owner Participation Agreement" means an agreement entered into by an provisions of the Owner with the Agency in accordance with the Plan and these rules and guidelines.
- (4) "Redevelopment Area" means the Redevelopment Area 2 which is subject to the provisions and authorities of the Plan, as such area is depicted and described in the Plan.
- (5) "Redevelopment Plan" means the Redevelopment Plan for Redevelopment Area 2 as adopted by the City Council of the City of Sparks on _____, 1999 (Bill No. ____).

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- (6) "Rules" means these Rules and Guidelines Governing Participation by Property Owners in Redevelopment Area 2, adopted by the Agency on _____, 1999 (Bill No. _____).

III. ELIGIBILITY

Owners of real property in the Redevelopment Area shall be eligible to participate in the redevelopment of property within the Redevelopment Area in accordance with the provisions of the Plan, these Rules and the limitations herein described. Participation opportunities are necessarily subject to and limited by factors such as the following:

- (1) The elimination and changing of some land uses;
- (2) The construction, widening or realignment of streets;
- (3) The ability of participants to finance acquisition and development or rehabilitation in accordance with the Plan;
- (4) The reduction in the total number of individual parcels in the Redevelopment Area; and
- (5) The construction or expansion of public facilities.

The Agency presently contemplates that in carrying out the Plan, certain portions of the Redevelopment Area may be acquired by the Agency for public improvements, facilities and utilities and for other uses and purposes as the Agency may deem appropriate in accordance with the Plan. Therefore, Owner participation opportunities will not be available for such properties.

IV. RULES FOR PARTICIPATION

Subject to these rules and limitations above, Owners shall be given a reasonable opportunity to participate in accord with the Plan by:

- (1) Retaining all or a portion of their properties;
- (2) Acquiring adjacent or other properties within the Redevelopment Area;
- (3) Rehabilitation of existing buildings or improvements;
- (4) New development; or
- (5) Selling their properties to the Agency and purchasing other properties in the Redevelopment Area.

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V. GUIDELINES FOR PARTICIPATION

Each proposal for participation shall be reviewed by the Agency specifically with respect to the following:

- (1) Conformity with the land use provisions of the Plan;
- (2) Compatibility with the standards, covenants, restrictions, conditions and controls of the Plan;
- (3) Compatibility with parcelization and consolidation of the Redevelopment Area into sites adequate for redevelopment; and
- (4) The participant's ability to finance the acquisition and development or improvement in accordance with the Plan.

If conflicts develop between the desires of participants for particular sites or land uses, the Agency is authorized to establish reasonable priorities and preferences among the owners. Some of the factors to be considered in establishing these priorities and preferences may include:

- (1) A participant's length of occupancy in the Redevelopment Area;
- (2) Accommodation of as many participants as possible;
- (3) Similarity of land use;
- (4) The necessity to assemble sites for integrated, new development; and
- (5) Conformity of a participant's proposal with the intent and objectives of the Plan.

VI. CONFORMING OWNERS

The Agency may, in its sole and absolute discretion, determine that certain real property within the Redevelopment Area presently meets the requirements of the Plan, and the Owners of such property will be permitted to remain as conforming Owners without an Owner Participation Agreement with the Agency, provided such Owners continue to operate, use and maintain the real property within the requirements of the Plan.

In the event that any of the conforming Owners desire to construct any additional improvements or substantially alter or modify existing structures on any of the real property described above as conforming; or acquire additional property within the Redevelopment Area, then such conforming Owners shall be required by the Agency to enter into an Owner Participation Agreement with the Agency.

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VII. OWNER PARTICIPATION AGREEMENTS

Public and private Owners wishing to develop or improve their properties within the Redevelopment Area may be required, as a condition to Agency approval of such development or improvement, to enter into an Owner Participation Agreement with any of the standards, restrictions and controls of the Plan. The Owner Participation Agreement may require the Participant to join in the recordation of such documents as the Agency may require in order to ensure the property will be developed and used in accordance with the Redevelopment Plan and the Owner Participation Agreement.

VIII. NOTICE TO OWNERS; TIME TO ENTER INTO AGREEMENT

If the Agency determines that an Owner of real property within the Redevelopment Area shall be required to enter into an Owner Participation Agreement as provided in these Rules, the Agency shall notify the Owner in writing of its intention to require an Owner Participation Agreement and shall provide the Owner with a copy of the proposed Owner Participation Agreement.

An Owner presented with an Owner Participation Agreement by the Agency must enter into the Owner Participation Agreement within a reasonable period of time as determined by the Agency, but not less than 14 calendar days. An Owner must submit proof of his qualifications, including financial capability, to carry out the terms and provisions of the Owner Participation Agreement.

IX. CONTENTS OF OWNER PARTICIPATION AGREEMENTS

An Owner Participation Agreement shall obligate the Owner, his heirs, and successors and assigns to devote the property to the uses specified in the Plan, abide by all provisions and conditions of the Plan for the period that the Plan is in force and in effect, and comply with all the provisions of the Owner Participation Agreement according to their terms, duration and effect.

An Owner Participation Agreement may provide that if the Owner does not comply with the terms of the Owner Participation Agreement, the Agency, in addition to other remedies, may acquire such property or any interest therein by any lawful means, including eminent domain, for its fair market value as of the date of the Owner Participation Agreement, and the Agency may thereafter dispose of the property or interest so acquired in accordance with the Plan. An Owner Participation Agreement shall contain such other terms and conditions which, in the discretion of the Agency, may be necessary to effectuate the purposes of the Plan.

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X. LIMITATIONS ON ACQUISITION OF PROPERTY BY THE AGENCY

The Agency shall not acquire real property to be retained and developed by an Owner pursuant to a fully executed Owner Participation Agreement if the Owner fully performs under the Owner Participation Agreement.

The Agency shall not acquire real property on which an existing building is to be continued on its present site under the Plan and in its present form and use without the consent of the Owner, unless:

- (1) Such building requires structural alteration, improvement, modernization or rehabilitation;
- (2) The site or lot on which the building is situated requires modification in size, shape or use; or
- (3) The Owner fails or refuses to participate in the redevelopment efforts in accord with the Plan and it becomes necessary to impose upon such property any of the standards, restrictions and controls of the Plan.

XI. AMENDMENT OF THE RULES

These Rules may be modified or amended from time to time by the Agency at any regular or duly called special meeting of the Agency, provided that no such amendment shall retroactively impair the rights of Owners who have executed Owner Participation Agreements with the Agency in reliance upon these rules as presently constituted.

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Redevelopment Area 2

Report to the City Council

May 12, 1999

Sparks Redevelopment Agency
431 Prater Way
Sparks, Nevada 89432



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Santa Ana, California 92705
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Introduction

This document is the Report to the City Council ("Report") for the proposed Redevelopment Plan ("Plan") for the Redevelopment Area 2 ("Redevelopment Area"). It presents the reasons for establishing the Redevelopment Area, and a review of the proposed redevelopment program that would be implemented through the Plan. This document will enable both the Sparks Redevelopment Agency ("Agency") and City Council of the City of Sparks ("City") to evaluate the Plan's merits to address and alleviate conditions of physical, social and economic blight. If adopted, the Plan would establish the 764-acre Redevelopment Area consisting of the following three noncontiguous areas:

- 1) The Southwest Industrial Area incorporates industrial, commercial, and residential uses north of Glendale Avenue, from 21st Street to 15th Street, and south of Glendale Avenue, between 21st Street and South Rock Boulevard. The Agency desires to use redevelopment tools in this 182-acre area to address substandard and obsolete structures, poor lot design and deterioration infrastructure, while capitalizing on opportunities for modern industrial and warehouse development in this section of the City.
- 2) The 165-acre Oddie Boulevard Area includes retail commercial, residential, and miscellaneous uses in the vicinity of Oddie Boulevard, from 15th Avenue/Rock Boulevard, to the western City limits. The primary purpose for including the Oddie Boulevard Area in the Redevelopment Area 2 is to facilitate revitalization of older commercial facilities.
- 3) The 417-acre Marina Area consists of the former "Helms Pit" property, as well as adjacent vacant and commercial uses north of Interstate 80, between Howard Drive and Sparks Boulevard. The Agency seeks to employ redevelopment tools to mitigate excessive infrastructure and site development costs to create a recreational and economic asset for the City.

This Report has been prepared in accordance with the Community Redevelopment Law, Nevada Revised Statutes 279.382 to 279.685, inclusive ("Redevelopment Law"). This Report represents the culmination of the documentation of the proposed Plan, having been preceded by the following documents:

- Preliminary Plan,
- Draft Redevelopment Plan,
- Owner Participation Rules, and
- Report and Recommendation of the Planning Commission of the City

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Contents of this Report

This Report has been prepared by Agency staff and its redevelopment consultant, Rosenow Spevacek Group, Inc. (RSG). The contents of this Report are prescribed by Section 279.578 of the Redevelopment Law, and accordingly have been divided into the following sections:

- SECTION A. The Reasons for Selection of the Redevelopment Area
- SECTION B. A Description of the Physical, Social and Economic Conditions Existing in the Redevelopment Area
- SECTION C. A Description of the Proposed Method of Financing
- SECTION D. The Method of Relocation
- SECTION E. An Analysis of the Preliminary Plan
- SECTION F. The Report and Recommendations of the Planning Commission

Section

A

The Reasons for Selection of the Redevelopment Area

Redevelopment of the Redevelopment Area is desired to enable the City to remove blighting conditions and facilitate the revitalization of recreational, retail and industrial properties. Adoption of the Plan would provide a catalyst for the City's economic development needs by permitting the use of redevelopment tools to address problem properties impaired by physical and economic conditions that have impeded private sector investment. The Redevelopment Area boundaries were selected to provide the Agency the ability to redevelop obsolete uses, while creating new employment opportunities in the community. The Agency anticipates providing infrastructure, financial, and land assembly incentives to stimulate business expansion and development in the City.

This Section of this Report details the reasons for the selection of the Redevelopment Area.

Geographic Boundaries

The Redevelopment Area is located within the City of Sparks Nevada. The City is located in Washoe County, and is adjoined by the City of Reno to the west and south, and unincorporated communities to the east and north.

The Redevelopment Area encompasses 764 acres, which represents approximately 6% of the total area of the City. Three noncontiguous areas comprise the Redevelopment Area, including the Southwest Industrial Area, Oddie Boulevard Area, and the Marina Area. The boundaries and land uses in these areas are summarized briefly below:

- 1) The **Southwest Industrial Area** incorporates industrial, commercial, and residential uses north of Glendale Avenue, from 21st Street to 15th Street, and south of Glendale Avenue, between 21st Street and South Rock Boulevard. The Agency desires to use redevelopment tools in this 182-acre area to address substandard and obsolete structures, poor lot design and deterioration infrastructure, while capitalizing on opportunities for modern industrial and warehouse development in this section of the City.
- 2) The 165-acre **Oddie Boulevard Area** includes retail commercial, residential, and miscellaneous uses in the vicinity of Oddie Boulevard, from 15th Avenue/Rock Boulevard, to the western City limits. The primary purpose for including the Oddie Boulevard Area in the Redevelopment Area 2 is to facilitate revitalization of older commercial facilities.
- 3) The 417-acre **Marina Area** consists of the former "Helms Pit" property, as well as adjacent vacant and commercial uses north of Interstate 80, between Howard Drive and Sparks Boulevard. The Agency seeks to employ redevelopment tools to mitigate

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excessive infrastructure and site development costs to create a recreational and economic asset to the City.

A map of the Redevelopment Area boundaries is presented on Exhibit A-1.

[insert Exhibit A-1 – Redevelopment Area Map to follow]

Background

Southwest Industrial Area

The Southwest Industrial Area contains a 15-block remnant of one of the City's oldest neighborhoods, Conductor Heights. Conductor Heights received its name because it housed many of the conductors employed by the Southern Pacific Railroad Company as early as 1905. Originally separated from the greater Conductor Heights tract to the north by railroad tracks and later Interstate 80, the 15-block area began to transition from single family residential use, to industrial uses that developed around the neighborhood to the south and east. Eventually, as the area became increasingly urbanized, the City redesignated this remnant area from residential to industrial use.

The Southwest Industrial Area declined over the decades due to these factors. A March 1999 windshield survey of the remaining housing units identified significant deterioration of both the structures as well as the overall residential neighborhood. Many units suffered from years of neglect; moderate to substantial rehabilitation was needed to repair decaying facades, facia, trim, doors, and windows. Also, due to the interspersed of industrial, trucking, salvage, and service commercial uses on these residential blocks, the neighborhood lacks cohesion and a consistent land use pattern.

While surrounding land uses, including the Reno-Tahoe International Airport, clearly suggest that this area will ultimately be used entirely for non-residential use, the original subdivision of this area for small-lot, single family residential use inhibits redevelopment efforts. Approximately 66% of the lots north of Glendale Avenue are less than 10,000 square feet, and approximately 11% are less than 5,000 square feet. These lots are too small to accommodate contemporary industrial and service commercial use, where lot sizes need to exceed at least 1 acre (43,560 square feet). In the Southwest Industrial Area, lot consolidation could involve as many as nine different parcels and property owners. Because acquisition of even a single parcel can be a time consuming and costly process, projects that involve as many as nine properties to assemble a single acre are avoided by private sector investors.

Adoption of the Plan would enable the Agency to participate in the redevelopment of the Southwest Industrial Area by facilitating lot acquisition and consolidation, installing new public infrastructure to service commercial uses, and participating in facility upgrades and rehabilitation activities.

Oddie Boulevard

Much of the Oddie Boulevard Area was developed between 1960 and 1975. At that time, the retail commercial centers in this area were the primary shopping destination for many Reno and Sparks residents. However, as newer centers developed and these centers began to age, the physical and economic condition of this area began to decline. In today's competitive retail environment, it is essential that shopping centers be well maintained and continually evolve to attract patrons. (It has been RSG's experience that successful commercial centers are updated at least every ten years.) Instead, most of the early-generation commercial buildings along Oddie Boulevard have stagnated. Little has

been done over the past 30 years to enhance and update tired building facades, improve vehicular access, and upgrade the character of this once-thriving retail district. Some national-chain retailers have closed their locations in favor of newer, more accessible centers.

These changes have translated into stagnant leasing activity along Oddie Boulevard. According to local real estate brokers, while most of the spaces in the Oddie Boulevard Area are occupied, average retail lease rates are 37% below competing space elsewhere in the City of Sparks. With such a large rental income disparity, Oddie Boulevard property owners lack the cash flow necessary to support the costs to finance needed improvements. As these buildings continue to age, the needs for upgrades will become increasingly greater. Without assistance to enable property owners to improve their properties and new infrastructure investment, the Oddie Boulevard Area cannot be reasonably be expected to remain a viable retail destination.

Marina Area

The third and final area of the Redevelopment Area is a former gravel pit that the City has been working to redevelop into a major recreational and economic asset for the community. For years, the "Helms Pit" was an eyesore in the community, but the closure of the quarry and subsequent flooding of the Pit during the January 1997 storms provided the City an opportunity to create a mixed use development oriented around the new Lake. However, the area is generally undeveloped, and lacks sewer, storm drain, and street infrastructure to service both public and private uses around the Lake. The City is looking to the Agency to assist with some of the infrastructure costs to develop the Lake and its environs.

In addition to the Lake development, the Agency is also looking to use redevelopment tools to facilitate the reuse of the closed factory outlet mall in the Marina Area. Since its closure over three years ago, the mall has not been reoccupied. Inclusion of the mall property in the Redevelopment Area would enable the Agency to incorporate this parcel into the overall Marina Area improvement program, and facilitate redevelopment for a new user.

Blighting Conditions in Redevelopment Area

The Redevelopment Area is comprised of 558 parcels of properties that the Agency is seeking to revitalize through a coordinated redevelopment effort. Section B of this Report describes the physical and economic blighting conditions found in the Redevelopment Area. Blighting conditions that will need to be addressed in the Redevelopment Area include the following:

- Unfit or Unsafe Structures
- Faulty Planning
- Subdivision of Irregular Lots
- Inadequate Streets, Open Space and Utilities

- Depreciated Values, Impaired Investments, and Maladjustment
- Improper Utilization of Land

A Description of the Projects Proposed by the Agency

The Plan incorporates a list of the proposed redevelopment programs and projects for each of the three subareas of the Redevelopment Area. The Agency proposes to undertake a comprehensive redevelopment effort to address blight in the Redevelopment Area, though improvements to public infrastructure, public and community facilities, and commercial properties. Based upon the anticipated financial resources (as described in Section C of this Report) and projected redevelopment needs in the Redevelopment Area, RSG estimates that implementation of these programs could cost approximately \$54 million. The Agency anticipates that these resources could be allocated as follows:

- 1) Public Infrastructure Programs - \$26.5 million
- 2) Public Facility Programs - \$12.5 million
- 3) Commercial Rehabilitation and Economic Development Programs - \$15.0 million

Funds allocated to public infrastructure improvements could be used to supplement City Capital Improvement Program funding and to improve street, storm drain and sewer infrastructure serving the Redevelopment Area.

Below is the list of programs and projects contained in Exhibit C of the Plan.

Southwest Industrial Area

Infrastructure Programs

Improve pedestrian, bicycle and vehicular traffic flows, upgrade utilities and drainage systems, upgrade sanitary sewer systems, install or refurbish traffic signals, street signs and streetscape, reconstruct streets, and enhance public safety. Project locations include, but are not limited to, the following:

- Pacific Avenue: South 19th Street to South 21st Street
- Crane Way: South 18th Street to East End
- Frazer Avenue: South 21st Street to East End
- Hymer Avenue: South 21st Street to East End
- Pittman Avenue: South 18th Street to East End
- Shaber Avenue: South 18th Street to South 15th Street
- Glendale Avenue: South 21st Street to South 15th Street

- Freeport Boulevard: South 21st Street to Rock Boulevard
- Greg Street: Truckee River Bridge to South Rock Boulevard
- South 21st Street: Greg Street to Pacific Avenue
- South 19th Street: Hymer Avenue to Pacific Avenue
- South 18th Street: Glendale Avenue to Crane Way
- South Rock Boulevard: Glendale Avenue to Hymer Avenue
- South 16th Street: Glendale Avenue to Hymer Avenue
- South 15th Street: Glendale Avenue to Hymer Avenue

Commercial Rehabilitation and Economic Development Programs

Revitalize deteriorating retail and industrial areas. Projects include, but are not limited to, the following:

- Façade improvements for obsolete retail and commercial centers.
- Develop and renovate industrial areas, including incompatible uses and uses operating in substandard facilities.
- Reconfigure and expand parking facilities.
- Facilitate lot consolidation to provide developable lots.
- Facilitate minor exterior improvements and cleanup.
- Partner with the Airport Authority of Washoe County to acquire property for redevelopment of blighted lots.
- Acquire access easements to private property, where feasible, to provide joint access points from arterial streets within the Redevelopment Area.

Oddie Boulevard Area

Infrastructure Programs

Improve pedestrian, bicycle and vehicular traffic flows, upgrade utilities and drainage systems, upgrade sanitary sewer systems, install or refurbish traffic signals, street signs and streetscape, reconstruct streets, and enhance public safety. Project locations include, but are not limited to, the following:

- Orovada Street: City Limits to Greenbrae Drive
- Greenbrae Drive: Orovada Street to Covina Drive
- Capurro Way: El Rancho Drive to Sullivan Lane

- Covina Drive: Greenbrae to Verano
- Oddie Boulevard: West City Limit to Rock Boulevard
- Oddie Boulevard Frontage Road: Rock Boulevard to Westerly End
- Merchant Street: Sullivan to Commerce
- El Rancho Boulevard: Southern Project Limits to Capurro Way
- Sullivan Lane: Pauline Avenue to Capurro Way
- Commerce Street: Rock to Oddie Frontage Road
- Exchange Street: South Cul-de-sac to Frontage Road
- Rock Boulevard: Mellen Street to Oddie

Commercial Rehabilitation and Economic Development Programs

Revitalize deteriorating commercial and residential areas. Projects include, but are not limited to, the following:

- Façade improvements for K-Mart store and adjoining commercial space at Oddie and Sullivan.
- Facilitate development of vacant lots adjacent to Eagle Hardware and the State Employment Office.
- Revitalize northeast corner of Oddie Boulevard and Sullivan Lane by integrating existing shopping center with vacant parcel.
- Work with property owners of vacant or obsolete commercial space along Oddie Boulevard, between Rock and Sullivan, and on both sides of Rock Boulevard south of Oddie Boulevard to the southern boundary of this area to redevelop and redesign existing structures, parking areas, landscaping, lighting, signs, and improve access.
- Facilitate minor exterior improvements and cleanup.
- Provide assistance to residential developments along Oddie, Greenbrae and Merchant.

Marina Area

Infrastructure Programs

Improve pedestrian, bicycle and vehicular traffic flows, upgrade utilities and drainage systems, upgrade sanitary sewer systems, install or refurbish traffic signals, street signs and streetscape, reconstruct streets, and enhance public safety. Project locations include, but are not limited to, the following:

- Howard Drive: Sparks Marina Park to East Prater Way

- East Lincoln Way: North McCarran Boulevard to Sparks Boulevard
- Marina Drive: East Prater to East Lincoln Way
- Sparks Boulevard: East Prater to On-Ramp at I-80
- Future north-south collector from East Lincoln Way to Prater from Sparks Marina Park.
- Other public streets associated with new development

Public Facility Programs

Develop and renovate community facilities that meet the needs of Project Area residents.

- Develop or acquire new city hall.
- Facilitate development of recreational facilities in the Marina Area.

Commercial Rehabilitation and Economic Development Programs

Revitalize deteriorating commercial, residential and recreational areas. Projects include, but are not limited to, the following:

- Encourage development of complimentary commercial, tourist, and residential uses near the Marina park facility within the Marina Area Plan.
- Redevelop the vacated outlet mall and abandoned building pad.

Section

B

A Description of the Physical, Social and Economic Conditions Existing in the Redevelopment Area

The Redevelopment Area contains physical and economic conditions that would be alleviated by implementation of the Plan. These conditions include the following:

- Unfit or Unsafe Structures
- Faulty Planning
- Subdivision of Irregular Lots
- Inadequate Streets, Open Space and Utilities
- Depreciated Values, Impaired Investments, and Maladjustment
- Improper Utilization of Land

This Section of the Report describes the conditions of blight in the Redevelopment Area.

Legal Definition of Blight

The Law establishes certain requirements for redevelopment project formation and implementation. To establish a redevelopment area, the Agency must undertake a process involving documenting the necessity for redevelopment in the proposed redevelopment area.

First and foremost of these legal requirements is the need to establish that the proposed redevelopment area is blighted. Pursuant to NRS 279.388, a "blighted area" is defined as an area characterized with one or more of the following conditions:

- 1) The existence of buildings and structures, used or intended to be used for residential, commercial, industrial or other purposes, or any combination thereof, which are unfit or unsafe for those purposes and are conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime because of one or more of the following factors:
 - Defective design and character of physical construction.
 - Faulty arrangement of the interior and spacing of buildings.

- Overcrowding.
 - Inadequate provision for ventilation, light, sanitation, open spaces and recreational facilities.
 - Age, obsolescence, deterioration, dilapidation, mixed character or shifting of uses.
- 2) An economic dislocation, deterioration or disuse, resulting from faulty planning.
 - 3) The subdividing and sale of lots of irregular form and shape and inadequate size for proper usefulness and development.
 - 4) The laying out of lots in disregard of the contours and other physical characteristics of the ground and surrounding conditions.
 - 5) The existence of inadequate streets, open spaces and utilities.
 - 6) The existence of lots of other areas which may be submerged.
 - 7) Prevalence of depreciated values, impaired investments and social and economic maladjustment to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered.
 - 8) A growing or total lack of proper utilization of some parts of the area, resulting in a stagnant and unproductive condition of land which is potentially useful and valuable for contributing to the public health, safety and welfare.
 - 9) A loss of population and a reduction of proper use of some parts of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere.

Blighting Conditions in Redevelopment Area

In March 1999, RSG conducted a windshield field survey to identify blighting conditions in the Redevelopment Area. The purpose of the field survey was to document the physical and land use character for each parcel in the Redevelopment Area. In addition to the field survey, RSG consulted with City staff, local property owners, and real estate brokers. Also, RSG relied upon a March 1999 infrastructure cost study prepared by Randy Bowling Consulting to ascertain the scope and cost of circulation, storm drainage, and sanitary sewer needs in the Redevelopment Area.

In summary, approximately 248 (44%) of the 558 parcels in the Redevelopment Area had one or more conditions of physical or economic blight, and virtually all of the Redevelopment Area suffers from inadequate public infrastructure. In addition, another 296 parcels (53%) had signs of deferred maintenance, which further detracts from the overall character of the Redevelopment Area.

Our observations of the conditions in the Redevelopment Area, as well as the proposed redevelopment activities contained in the Plan to address such conditions, are presented below. Appendix A to this Report contains a photo survey depicting examples of the blighting conditions found in the Redevelopment Area properties.

Unfit or Unsafe Structures (NRS 279.388.1)**Field Observations**

The Redevelopment Area constitutes some of the oldest sections of the City; the majority of the residential and commercial structures were constructed more than 50 years ago. In total, approximately 362 (75%) of the improved properties in the Redevelopment Area suffered from substantial deterioration and/or deferred maintenance. RSG noted substantial evidence of retail, industrial and residential buildings in need of repair throughout the Redevelopment Area. In general, structures in these areas fell into one of two categories:

- 1) At-risk, where a building exhibited some need for repairs or minor rehabilitation, or
- 2) Unfit/unsafe, meaning the building had evidence of severe deterioration necessitating either a substantial rehabilitation effort or reconstruction.

The chart below summarizes statistics on the number of improved properties by overall physical condition:

Location	Unfit/Unsafe Properties	At-Risk Properties	Total Deficient Properties
Southwest Industrial Area	58 (32%)	74 (40%)	132 (72%)
Oddie Boulevard Area	5 (2%)	222 (76%)	227 (78%)
Marina Area	2 (40%)	1 (20%)	3 (60%)
OVERALL	65 (13%)	297 (62%)	362 (75%)

Conditions noted included the following:

- Age and obsolescence
- Mixed Character and shifting uses
- Dilapidation and deterioration

In the Southwest Industrial Area, approximately 132, or 72% of the 184 structures exhibited signs of decay and age. These conditions were most prevalent on Glendale Avenue, Hymer Avenue, and Frazer Avenue. The deteriorating structures included many older residential that appeared to be about 40 to 50 years old. Some of the conditions ranged from deferred maintenance and painting to roof decay, broken windows, and damaged exteriors.

Shifting uses and mixed land use character is a widespread problem throughout the Southwest Industrial Area. Lots north of Glendale Avenue, both east and west of Rock Avenue, were originally subdivided and developed for single family residential use many decades ago. Today, as these areas transition from residential to industrial use, many of the original residential structures are used for industrial, office and other nonresidential uses. Other residential structures have remained as dwellings, but are declining due to the negative impacts generated by adjoining industrial businesses.

Physical decay and neglect was evident in other portions of the Redevelopment Area as well. In the Oddie Boulevard Area, commercial properties south of Oddie Boulevard contain obsolete commercial strip centers and stand-alone buildings constructed over 25 years ago. Little has been done to upgrade and modernize these centers, and City staff reports that business turnover has been an acute problem in this area. For example, between Sullivan Lane and Rock Boulevard, 10 of the 15 commercial properties need minor to substantial rehabilitation to correct decades of deferred maintenance and neglect. Also, on Rock Boulevard, south of Oddie Boulevard, a 19-unit strip center needs rehabilitation.

Similarly, the shopping center at the northeast corner of Oddie Boulevard and Sullivan Lane features a tired and inconsistent design. A vacant parcel adjoining this center to the east has remained vacant for decades; successful development of the vacant lot will need to incorporate substantial rehabilitation to the older commercial structures.

The Marina Area contains an abandoned 109,000 square foot factory outlet mall that has been vacant for over 3 years. Because this property has been dormant for an extended period of time, improvements will be necessary if this building is to be reoccupied. Other deteriorating structures in the Marina Area include a corroded metal warehouse building at the northern edge of the Lake.

Proposed Redevelopment Activities in Plan:

The Plan contains a series of redevelopment initiatives to address the substandard physical condition of buildings in the Redevelopment Area. Through redevelopment, the Agency may undertake projects to better coordinate recycling of these obsolete and decaying structures. In instances where continuing the current use is viable and compatible with surrounding uses, the Agency may offer property owners of deteriorating structures rehabilitation assistance. In other cases, the Agency may facilitate redesign and/or reconstruction activities to improve and modernize existing buildings. To further residential rehabilitation efforts, the Agency may consider coupling tax increment funding with federal grants gained by the City.

Specific redevelopment activities anticipated by the Agency include the following:

- Redevelopment of the former Conductor Heights neighborhood (within the Southwest Industrial Area) to facilitate a more coordinated transition from residential to industrial uses.
- Rehabilitation programs to upgrade substandard and obsolete industrial structures.
- Façade improvements for the K-Mart store and adjoining commercial space at Oddie and Sullivan;
- Modernization of commercial shopping center at northeast corner of Oddie Boulevard and Sullivan Lane; and
- Redesign of commercial strip centers and stand-alone buildings on the south side of Oddie Boulevard, between Sullivan Lane and Rock Boulevard.

Faulty Planning (NRS 279.388.2)**Field Observations:**

As described in the earlier discussion, RSG noted that the Southwest Industrial Area is fraught with residentially designated lots that are too small (lacking adequate depth, width and land area) to accommodate industrial uses. As a result, the area suffers from disuse as industrial uses lack sufficient space for parking, off-street loading, and buffers from adjacent residential areas. The RSG field survey noted 34 buildings constructed to, or in close proximity to, the lot line, thereby crowding nearby uses. As a result of the increasing intensity of development in this area, noise, smoke, glare and other nuisances from industrial uses are intruding into residential properties. These conditions were found on Pacific, Frazer, Hymer, Pittman, and Glendale Avenues.

Also, these conditions were evident along Oddie Boulevard. Due to ingress and egress restrictions along Oddie Boulevard, virtually all of the retail commercial properties are either oriented poorly in relation to Oddie Boulevard, or difficult to access. On busy thoroughfares such as Oddie Boulevard, easy access and visibility is critical to the long-term viability of retail districts. As compared to similar retail centers along Prater Way, the Oddie Boulevard Area is at a competitive disadvantage due to the restricted access and visibility, and attracting and retaining quality tenants throughout the area is more difficult due to these conditions.

Last year, a new home improvement center was developed at the Silverada Mall property on the northwest corner of Oddie Boulevard and El Rancho Drive. As a part of this project, a vacated retail space was demolished. This project enabled the new store to have a better "window" to Oddie Boulevard traffic, and is an example of the type of activities needed to occur throughout this corridor. However, many of the parcels in this area are not as large as the Silverada Mall site, and reconfiguration is more difficult without a coordinated effort among multiple property owners.

Proposed Redevelopment Activities in Plan:

The Plan permits the Agency to work with multiple property owners to cooperate on site planning and lot consolidation activities. These efforts may be necessary in the Redevelopment Area to assist property owners reorient their parcels to accommodate current land use demands. In other instances, the Agency may help with off site improvements to facilitate better access, or construct buffers to mitigate impacts between incompatible uses.

Areas of specific focus will include residential lots in the Southwest Industrial Area and commercial uses along Oddie Boulevard;

Subdivision of Irregular Lots (NRS 279.388.3)**Field Observations:**

Within the Southwest Industrial Area bounded by 21st Street, 15th Street, Glendale Avenue and the Southern Pacific Transportation right of way, numerous small lots are insufficient for their industrial use. The matrix below summarizes statistics on the number of lots less than 10,000 square feet in these blocks, where such undersized parcels make up 66% of

the total. Many lots are as small as 5,000 square feet. In today's real estate market, industrial users require a minimum of 1 acre (43,560 square feet) to accommodate even the smallest stand alone industrial building.

Assessor's Page & Block	Total Lots	Lots Under 10,000 sf	Lots Under 5,000 sf
032-231 (Pacific & 21 st)	21	71%	33%
032-232 (Frazer & 21 st)	19	89%	5%
032-241 (Fraxer & 19 th)	5	40%	-
032-242 (Hymer & 19 th)	12	75%	-
032-243 (Frazer & 18 th)	7	43%	-
032-261 (Hymer & 21 st)	18	89%	11%
032-262 (Hymer & 19 th)	5	40%	-
032-263 (Hymer & 18 th)	13	69%	15%
032-264 (Pittman & 18 th)	12	58%	17%
032-271 (Hymer & South Rock)	6	50%	-
032-272 (Hymer & 16 th)	11	73%	-
032-274 (Pittman & South Rock)	10	60%	-
032-275 (Pittman & 16 th)	10	40%	-
032-282 (Shaber & 18 th)	12	58%	17%
AVERAGE	161	66%	11%

Many of the lots are also too narrow (less than 75 feet wide) to feasibly accommodate building, storage, parking, and loading demands of industrial users. (A lot width of 100 feet or more is the typical industrial development standard today.) Approximately 129 lots north of Glendale Avenue are less than 75 feet wide. As a result, lots are cluttered with equipment and streets are congested with parked cars and loading activities.

Undersized, irregular lots pose problems for industrial users because they do not provide sufficient space for storage, parking and loading/unloading activities. As a result, these uses spill onto already crowded streets and congest the area with intense activity. Incompatible residential uses in the area are negatively impacted by these activities that detract from the character of the formerly residential neighborhood.

Proposed Redevelopment Activities in Plan:

Through a coordinated redevelopment effort, the Agency may alleviate these conditions by assisting property owners consolidate undersized parcels to create larger lots better suited for contemporary land uses. To this end, the Plan permits the Agency to acquire property to implement redevelopment activities in the Redevelopment Area.

Inadequate Streets, Open Space and Utilities (NRS 279.388.5)

Field Observations:

Much of the existing public infrastructure serving the Redevelopment Area is in need of repair, and inadequate to service future users. In a March 1999 preliminary infrastructure cost projection study prepared by Randy Bowling Consulting ("RBC"), a total of \$26.5 million in street, sanitary sewer, and storm drainage improvements are needed in the Redevelopment Area. These infrastructure costs are summarized in the table below:

Location	Streets	Sanitary Sewer	Storm Drainage	Total
Southwest Industrial	\$7,208,000	\$979,020	\$925,595	\$9,112,615
Oddie Boulevard	3,221,000	383,216	447,313	4,051,529
Marina	7,703,000	4,581,098	1,031,426	13,315,524
TOTAL	\$18,132,000	\$5,943,334	\$2,404,334	\$26,479,668

RSG met with Marina Area property owners and City staff, who indicated that the cost of these public improvements inhibits private development; currently, there is no funding mechanism in place to address the infrastructure deficiencies in the Redevelopment Area. For the Marina Area, these public improvement needs could be quite costly, between the costs to improve and maintain the lake recreational facility, and other utility and park improvements.

Elsewhere, the costs to reconstruct or improve streets in the Southwest Industrial and Oddie Boulevard Areas cannot be borne by new development because these areas are builtout. Many property owners or businesses, particularly in the Oddie Boulevard and Southwest Industrial Areas, cannot be expected to fund public improvement costs because of below-market lease rates that do not generate sufficient revenue for public improvements, or excessive development costs due to the need for extensive lot consolidation.

Southwest Industrial Area

Large portions of the Southwest Industrial Area were developed as a residential neighborhood over eight decades ago. North of Glendale Avenue, infrastructure servicing the Southwest Industrial Area was originally installed for residential uses. For the past four decades, industrial uses have encroached into this former residential neighborhood; these streets, many which were constructed far below today's residential standards, cannot accommodate commercial traffic. Large portions of Hymer and Frazer Avenues are unpaved, while other streets are in disrepair, including Pacific Avenue, Crane Way, Pittman Avenue, Shaber Avenue, Glendale Avenue, Freeport Boulevard, Greg Street, South 21st Street, South 19th Street, South 18th Street, South Rock Boulevard, South 16th Street, and South 15th Street.

Also, City public works staff has identified a variety of rehabilitation needs to the sanitary sewer system and storm drain system, including repair and replacement of sewer and storm drain lines.

Oddie Boulevard Area

Oddie Boulevard is a major east-west arterial highway, and is designed to state highway standards. As compared to other arterial roadways in the City, Oddie Boulevard was built under the state's more stringent design standards that place strict limitations on the amount of ingress/egress to Boulevard properties. These standards complicate access to the commercial businesses along Oddie Boulevard. Since commercial uses rely on easy, convenient access to draw shoppers into a center, properties along Oddie Boulevard suffer.

Attempts to improve access to Oddie Boulevard businesses have not been consistently implemented, nor widely successful. At the northwest corner of Oddie Boulevard and El Rancho Lane, a shopping center was developed with the rear of its buildings facing Oddie Boulevard. Along the south side of Oddie Boulevard, east of Sullivan Lane, a deteriorating frontage road services a collection of vacant and underutilized commercial buildings.

According to the RBC study and City staff, other infrastructure needs in the Oddie Boulevard Area include rehabilitation to portions of Orovada Street, Capurro Way, and Covina Drive, reconstruction of Merchant Street, Commerce Street, and Exchange Street, and curb, gutter, sidewalk and other streetscape improvements to Oddie Boulevard, Rock Boulevard, and Greenbrae Drive. Also, portions of the sanitary sewer and storm drainage infrastructure need repair.

Marina Area

Based on discussions with staff and a review of the Marina Area Plan, development of the Marina Area will require significant infrastructure upgrades and improvements. Currently, the Marina Area is virtually undeveloped and grossly under-served with public facilities and services. While the Marina Area Plan does not contain an extensive, concrete analysis of future land uses and infrastructure needs, the Marina Area Plan does preliminarily identify the following infrastructure deficiencies based on a assumed level of development:

- **Streets.** The RBC study anticipates reconstruction of Howard Drive, between the Marina Lake and East Prater Way, construction of two new roadways (East Lincoln Way, between Sparks and McCarran Boulevards, and Marina Drive, from East Prater Way to East Lincoln Way), and minor improvements to Sparks Boulevard, between East Prater Way and the Interstate 80 on ramp. These improvements are needed to service both public and private uses proposed around the lake; for this reason, many of the improvement costs cannot be solely funded by the private sector.
- **Sewer.** According to the Marina Area Plan, much of this area is too low to gravity flow to existing lines. The existing sewer lines in East Prater Way, Sparks Boulevard, Howard Drive, and Interstate 80 have no more capacity to carry additional wastewater flow. Future demand will need to be met through sewer system improvements. According to the Marina Area Plan, sewer system improvements in the Marina Area generally cannot be constructed incrementally, so "pay-as-you-go" financing is not feasible. Further, the City does not have available resources to fund the \$4.5 million of estimated sewer costs in a lump sum. However, through redevelopment, the Agency could issue tax increment-secure bonds to finance sewer or other improvements.

- **Drainage:** The Federal Emergency Management Agency ("FEMA") designates the entire Marina Area in the 100-year flood plain. To create developable sites surrounding the future lake, substantial grading and channeling activities will be necessary to control storm water runoff. The Marina Area Plan estimates that approximately 50% of the 417-acre site will need to be raised to at least 2 feet above the flood zone level. The People's Ditch, severely damaged during the January 1997 floods, will also need to be realigned. Other storm drain improvements identified in the RCG study include installation of manholes, catch basins, and main lines throughout the Marina Area.
- **Water:** The Marina Area Plan anticipates the need to construct a 12-inch connecting loop to provide a backbone water distribution system.
- **Parks:** The Marina Area Plan identifies the need to construct a neighborhood park in the Plan Area to meet future demand.

Proposed Redevelopment Activities in Plan:

As described earlier in this Report, the Plan permits the Agency to undertake a variety of public improvements in the Redevelopment Area, and includes a list of specific projects and programs that can be implemented over the 30-year term of the Plan.

Depreciated Values, Impaired Investments, and Maladjustment (NRS 279.388.7)

Field Observations:

Economic decline was evident throughout the west end of the Redevelopment Area. Retail properties along Oddie Boulevard were vacant, including both retail centers and stand-alone shops at Oddie Boulevard and Sullivan Lane. According to the City's records of gross sales receipts, retailers along this segment of Oddie Boulevard are significantly less successful than those in other retail districts. In 1997, the 31 year old Kmart store on Oddie Boulevard generated approximately 50% less sales than the Target store at north McCarran and Prater Way; while Target's sales have grown by nearly 100% over the past 10 years, Kmart's have dropped by nearly 38%. Also, sales at the Albertson's grocery store on Oddie Boulevard are below its competition in the City by as much as 36%.

According to local real estate brokers familiar with retail commercial property in the Sparks-Reno market area, average monthly lease rates within the Oddie Boulevard are approximately \$0.85 per square foot, while rents for comparably sized spaces elsewhere in Sparks average \$1.35 per square foot. This means that property owners in Oddie Boulevard collect approximately 37% less income than owners of competing projects. Because property owners use rental incomes to cover debt service and operating expenses first, lower rents in Oddie Boulevard mean that property owners are forced to defer or curtail capital improvement expenses. As a result, the Oddie Boulevard area continues to languish due to a lack of resources to upgrade and modernize existing structures.

There are other signs of depreciated values in the Redevelopment Area. Physical deterioration and the mixed character of the small-lot subdivisions east and west of Rock Boulevard between Glendale Lane and the Southern Pacific Transportation right of way

suggests impaired investments in this area as well. The 109,000 square foot Sparks Outlet Mall on Sparks Boulevard was closed only a few years after its opening in 1991.

Proposed Redevelopment Activities in Plan:

Tax increment revenue could be used to underwrite a low interest loan program that would fund facade and building improvements. By upgrading both the appearance and structural condition of Redevelopment Area buildings, the properties would be in a better position to compete with newer properties for tenants.

Improper Utilization of Land (NRS 279.388.8)

Field Observations:

Underutilized land is a problem in the Redevelopment Area. Many of the existing retail, industrial, and residential uses in the west end are functionally obsolete, meaning that their design, configuration, size, and construction are no longer viable in today's market. For retailers that depend on high consumer traffic, functional obsolescence is like a death knell—consumers typically seek out the modern shopping centers and avoid the older, tired stores. (Evidence of the eroding consumer base in the Oddie Boulevard retail district was presented in the previous section). For the Southwest Industrial Area, functional obsolescence effectively limits pool of businesses that can use industrial properties that lack sufficient off street loading and unloading space, parking, storage, and manufacturing space. These conditions therefore limit business expansion and job opportunities for City businesses.

Another example of underutilized land is the area south of Glendale Avenue, between 21st Street and Rock Boulevard. Due to height and occupancy restrictions imposed by the Reno Airport Authority, development opportunities in this area have been substantially curtailed. The Authority limits occupancy to no more than 25 persons per acre per hour.

The 417-acre Marina Area has long been the City's greatest underutilized asset. For years, this area has been little more than a large eyesore in the center of town. The opportunity to establish a regional park and complimentary uses could create jobs and recreational opportunities. However, the costs to develop this area to its full potential could impede the overall success and long-term viability of the Marina Area Plan.

Proposed Redevelopment Activities in Plan:

Absent redevelopment, the Redevelopment Area will continue to follow its current course of stagnation and decline. With redevelopment, the Agency may provide assistance to property owners within the Airport Authority restricted zone to make development feasible. The Agency may also fund infrastructure improvements to the Marina Area to facilitate development of the Marina and surrounding properties.

Section
C

A Description of the Proposed Method of Financing

Section 700 of the Plan provides for the methods of financing redevelopment implementation activities. In general, redevelopment of the Redevelopment Area is proposed to be financed with a combination of a variety of resources, including:

- 1) Financial assistance from the City, State of Nevada and/or Federal Government;
- 2) Tax increment revenue;
- 3) Agency bonds;
- 4) Loans from private financial institutions; and
- 5) Any other legally available source, including interest income, donations, revenues from redevelopment projects, and other Agency revenues.

The more typical sources of redevelopment financing that may be employed to fund project implementation are described below.

Financial Assistance from the City, State, and/or the Federal Government

The Agency may obtain loans and advances from the City for planning, construction, and operating capital for project administration until such time that sufficient tax increment revenue is raised to repay loans and provide other means of operating capital. The City may also defer payments on Agency loans for land purchases, to benefit the Agency's cash flow. Such assistance is anticipated to be employed to meet short-term cash flow needs, as the City's General Fund cannot carry extensive levels of Agency debt at the risk of threatening the City's own cash balances.

As available, other funds such as state infrastructure funds and federal Community Development Block Grants will be used, as appropriate, to pay the costs of project implementation. The Agency and City will also pursue other available grants and loans. The City or other public agencies may also issue bonds on behalf of the Agency and provide in-kind assistance.

Property Tax Increment

The Agency may use property tax increment as authorized in Section 702 of the Plan to underwrite project costs. Tax increment revenue may be used to pay the costs of redevelopment and to pay the principal of and interest on loans, monies advanced, or debts (whether funded, refunded, assumed, or otherwise) incurred by the Agency to finance or refinance, in whole or in part, redevelopment activities.

Pages 23 through 26 of this Report include a forecast of the potential tax increment revenues anticipated to be available for the Redevelopment Area.

Bonded Debt

Under Section 703 of the Plan, the Agency would have the authority to issue bonds and other obligations to finance project implementation activities. The Agency has previously employed bond financing to underwrite redevelopment implementation costs for its Sparks Town Center Redevelopment Project Area.

A preliminary projection of the Redevelopment Area's bonding capacity is presented on page 26 of this Report.

Participation in Development

If the Agency enters into agreements with property owners, tenants, and/or other developers that provide for revenues to be paid or repaid to the Agency, such revenues may be used to pay project implementation costs.

Other Available Sources

Any other loans, grants, or financial assistance from the federal government, or any other public or private source will be utilized, as available and appropriate. Where feasible and appropriate, the Agency may use assessment district financing to pay for the costs of public infrastructure and facilities.

Projected Tax Increment Revenues

Project implementation, property reassessments, and new development throughout the Redevelopment Area, will generate tax increment revenue. Tax increment revenue will be generated by increases in the assessed value exceeding the Redevelopment Area's 1999-00 base year assessed value established by the Washoe County Assessor upon adoption of the Plan.

It is anticipated that the principal financing source for project implementation will be tax increment revenue. Table C-1 presents a preliminary projection of the potential tax increment revenues which could be generated by the Redevelopment Area. The tax increment revenue projections incorporate the following assumptions:

- 1) **1999-00 Assessment Roll Base Year Value.** The tax increment projections assume that the 1999-2000 tax roll will be used by the County Assessor to compute the base year value of the Redevelopment Area. The 1999-2000 tax roll will not be finalized until June 1999, so the 1999-2000 base year value in Table A was estimated by applying the growth rate assumptions (described in item 3 below) to the 1998-99 secured assessment roll value of \$61,236,435. The estimated 1999-00 secured base year value is \$66,288,532, and excludes unsecured and utility values. The assumed base year value is based on a parcel-by-parcel compilation of the 1998-99 secured assessed values for the 558 parcels in the Redevelopment Area. Unsecured and utility values were not accessible to include in this analysis; however, due to the

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capricious nature of these values, it is prudent to assume no growth of these values and, therefore, no tax increment revenue.

ASSESSED VALUE & TAX INCREMENT REVENUE FORECAST

Table C-1

Sparks Redevelopment Area 2

Fiscal Year (June 30)	PROJECTED ASSESSED VALUES			Incremental Value	Gross Tax Increment \$ 3.2200	Cumulative	Net Present Value
	Secured AV (5% Growth)	New Development	TOTAL				
Growth:							
1999	61,236,435		61,236,435				
BY 2000	64,298,257	1,990,275	66,288,532				
2 2001	69,602,958	-	69,602,958	3,314,427	106,725	106,725	94,095
3 2002	73,083,106	-	73,083,106	6,794,575	218,785	325,510	275,216
4 2003	76,737,262	2,452,170	79,189,432	12,900,900	415,409	740,919	598,123
5 2004	83,148,904	11,525,322	94,674,225	28,385,693	914,019	1,654,938	1,265,248
6 2005	99,407,936	3,907,739	103,315,675	37,027,144	1,192,274	2,847,212	2,082,354
7 2006	108,481,459	10,460,913	118,942,372	52,653,840	1,695,454	4,542,666	3,173,389
8 2007	124,889,491	6,629,020	131,518,511	65,229,979	2,100,405	6,643,071	4,442,520
9 2008	138,094,436	6,827,891	144,922,327	78,633,795	2,532,008	9,175,079	5,879,063
10 2009	152,168,444	7,032,727	159,201,171	92,912,639	2,991,787	12,166,866	7,472,865
11 2010	167,161,230	15,804,457	182,965,686	116,677,154	3,757,004	15,923,871	9,352,165
12 2011	192,113,971	8,817,570	200,931,540	134,643,009	4,335,505	20,259,376	11,388,477
13 2012	210,978,117	9,082,097	220,060,214	153,771,682	4,951,448	25,210,824	13,572,149
14 2013	231,063,225	9,354,560	240,417,785	174,129,253	5,606,962	30,817,786	15,893,993
15 2014	252,438,674	9,635,197	262,073,870	195,785,339	6,304,288	37,122,074	18,345,268
16 2015	275,177,564	-	275,177,564	208,889,032	6,726,227	43,848,300	20,800,982
17 2016	288,936,442	-	288,936,442	222,647,910	7,169,263	51,017,563	23,258,695
18 2017	303,383,264	-	303,383,264	237,094,732	7,634,450	58,652,014	25,716,145
19 2018	318,552,427	-	318,552,427	252,263,896	8,122,897	66,774,911	28,171,241
20 2019	334,480,049	-	334,480,049	268,191,517	8,635,767	75,410,678	30,622,046
21 2020	351,204,051	-	351,204,051	284,915,520	9,174,280	84,584,958	33,066,772
22 2021	368,764,254	-	368,764,254	302,475,722	9,739,718	94,324,676	35,503,769
23 2022	387,202,467	-	387,202,467	320,913,935	10,333,429	104,658,105	37,931,517
24 2023	406,562,590	-	406,562,590	340,274,058	10,956,825	115,614,929	40,348,614
25 2024	426,890,719	-	426,890,719	360,602,188	11,611,390	127,226,320	42,753,774
26 2025	448,235,255	-	448,235,255	381,946,724	12,298,684	139,525,004	45,145,816
27 2026	470,647,018	-	470,647,018	404,358,486	13,020,343	152,545,347	47,523,659
28 2027	494,179,369	-	494,179,369	427,890,837	13,778,085	166,323,432	49,886,311
29 2028	518,888,337	-	518,888,337	452,599,806	14,573,714	180,897,146	52,232,871
30 2029	544,832,754	-	544,832,754	478,544,223	15,409,124	196,306,270	54,562,516
Cumulative Total					196,306,270		

NOTES:

Total Project Value excludes unsecured and public utility assessments.

- 1) **New Development.** As summarized on Table C-2, value increases resulting from new development anticipated to occur over next fifteen years were factored into these projections.

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NEW DEVELOPMENT FORECAST
Sparks Redevelopment Area 2

TABLE C-2

Location Project	Marina Village Development Program					Ghiggeri (1) Planned Dev.	Blume (2) Tourist Comm.	Eagle Hardware (3)	GRAND TOTAL
	Affordable Apts	Luxury Apts	Hotel	Commercial	Single Family				
Units	136	232	118	14	72	492	555	n/a	1,140
Gross Building Area	131,468	268,280	73,604	12,182	233,616	1,026,600	1,220,000	220,000	2,479,290
Estimated Value	10,449,587	19,262,000	11,025,714	1,370,468	12,823,333	77,000,000	91,000,000	6,600,000	224,128,102
Start Date	2001	2002	2003	2002	2000	2001	2002	Under Const.	
Completion Date	2002	2004	2004	2003	2002	2007	2008	1998	
Assessed Value (35%)	3,657,355	6,741,700	3,859,000	479,660	4,488,167	26,950,000	31,850,000	1,990,275	92,558,152
Annual Phasing (With 3% Inflation)									
1999-00	0	0	0	0	0	0	0	1,990,275	
2000-01	0	0	0	0	0	0	0	0	
2001-02	0	0	0	0	0	0	0	0	
2002-03	0	0	0	0	2,452,170	0	0	0	
2003-04	4,116,386	0	4,343,338	539,862	2,525,735	0	0	0	
2004-05	0	3,907,739	0	0	0	0	0	0	
2005-06	0	4,024,971	0	0	0	6,435,942	0	0	
2006-07	0	0	0	0	0	6,629,020	0	0	
2007-08	0	0	0	0	0	8,827,891	0	0	
2008-09	0	0	0	0	0	7,032,727	0	0	
2009-10	0	0	0	0	0	7,243,709	8,560,747	0	
2010-11	0	0	0	0	0	0	8,817,570	0	
2011-12	0	0	0	0	0	0	9,082,097	0	
2012-13	0	0	0	0	0	0	9,354,560	0	
2013-14	0	0	0	0	0	0	9,635,197	0	

- (1) 79 acre parcel. Assumes 35 acres single family (7.2 du/ac), 20 acres townhomes (12 du/ac), 17 acres (165,000 gba) neighborhood retail, and 7 acres office
(2) 82 acre parcel. Assumes 40 acres Business Park, 35 acres Regional Retail Center, and 7 acres Hotel
(3) Assessed value reduced by 1997-98 improvement value of vacated home improvement center at same location.

Sources: Marina Area Plan (December 1997), City of Sparks, RSG

- 2) **Assessed Value Growth Assumptions.** The projections incorporate a 5% annual increase in secured assessed values.
- 3) **Tax Increment Levy.** The projections incorporate an assumption that the City's current \$3.22 levy rate will remain constant for the 30-year duration of the Redevelopment Area.

Summary of Projected Revenues

The Redevelopment Area is projected to generate approximately \$196,306,270 in tax increment revenue over the 30-year duration of the redevelopment plan. To relate this cumulative amount of tax increment revenues in today's (1999) dollars, the "net present value" of this cumulative tax increment revenue projection was calculated. A net present value reflects the discounted value of a revenue stream, adjusting for inflation, uncertainty, and time. Assuming a 6.5% discount rate, the net present value of the projected revenues is \$54,562,516.

The chart below summarized the cumulative amounts of tax increment revenue the Agency could collect from the Redevelopment Area over a 5, 10 and 30 year period.

Projected Revenues	5 Years	10 Years	30 Years
Cumulative Revenues	\$1,654,938	\$12,166,866	\$196,306,270
Present Value of Cumulative Revenues	1,265,248	7,472,865	54,562,516

Economic Feasibility Analysis

Exhibit C to the Plan is a list of potential public infrastructure and other redevelopment programs the Agency desires to implement in the Redevelopment Area. The estimated cost of these projects and programs is \$54.0 million in 1999 dollars, including \$26.5 million of infrastructure improvement costs, and \$27.5 million of rehabilitation, economic development, and public facility project costs. (These project costs are based upon preliminary estimates available as of the time of adoption of this Plan, and may differ as the Project is implemented.) Should tax increment revenues fall below or exceed projections, the Agency will alter implementation activities accordingly.

Because this total program cost estimate of \$54.0 million is approximately equal to the present value of the projected Redevelopment Area tax increment revenues of \$54,562,516, the Project is financially feasible. Further, if these resources are combined with other City economic development funds, additional investment could be made in improving Redevelopment Area properties.

Project implementation will necessitate the issuance of bonds to finance redevelopment programs that cannot be funded on a pay-as-you-go basis. RSG consulted with the Agency's financial advisor to estimate the potential bonding capacity of the Redevelopment Area, based upon projected tax increment revenues presented in Table A. The bonding capacity analysis was developed based on the following assumptions:

- 1) Debt Coverage ratio: 1.25 tax increment to debt service
- 2) Costs of issuance: 3% of principal issued
- 3) Reserve fund: 10% of principal issued
- 4) Interest rate: 6% on bonds; 5% on reserve fund investments
- 5) Amortization: 20 year term

As set forth in the chart below, the bonding capacity analysis indicates that the Agency will have the potential to issue approximately \$34.5 million in bonds over the 30 year duration of the Plan. Based upon the forecast of tax increment revenues, the net bond proceeds to the Agency could accrue at follows:

Year of Issuance	Bond Par Amount	Less: Costs/Reserve	Net Proceeds	Annual Debt Service
2003-04	\$8,385,000	\$1,090,050	\$7,294,950	\$731,043
2005-06	7,170,000	932,100	6,237,900	625,113
2006-07	3,715,000	482,950	3,232,050	323,891
2008-09	8,180,000	1,063,400	7,116,600	713,170
2009-10	7,020,000	912,600	6,107,400	612,036
Total	\$34,470,000	\$4,481,100	\$29,988,900	\$3,005,252

Section
D

The Method of Relocation

In connection with the implementation of the Plan, the Agency is the public agency responsible for relocation. Section 279.578 2.(d) of the Community Redevelopment Law requires that the Agency prepare a method or plan for the relocation of families and persons who may be temporarily or permanently displaced from housing facilities located within the Redevelopment Area.

The Agency is required to adhere to the State Relocation Law (NRS 342.015 to 342.075, inclusive). Prior to commencement of any acquisition activity that would cause displacement of a person or business as a result of an acquisition, the Agency will adopt policies pursuant to State Relocation Law to provide relocation assistance and make relocation payments to each displacee which are substantially similar to and in amounts equal to or greater than those which are provided for in the federal Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970, 42 U.S.C. 4601-4655, and the regulations adopted pursuant thereto.

To the extent appropriate, the Agency may supplement those provisions provided in the State Guidelines to meet the particular relocation needs of a specific project. Such supplemental policies will not involve reduction, but instead enhancement, of the relocation benefits required by State and Federal Law.

Therefore, the Agency intends to use as its method of relocation the State Relocation Law and the federal Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970, as amended. Copies of both the State Relocation Law and Federal Policies Act are presented in Appendix B and C, respectively.



An Analysis of the Preliminary Plan

The Preliminary Plan for the Proposed Redevelopment Area 2 ("Preliminary Plan") was approved by the City Planning Commission ("Planning Commission") on March 11, 1999 by Resolution No. __, and accepted by the Agency on March 22, 1999 by Resolution No. __. Prepared in accordance with Section 279.526 of the Redevelopment Law, the Preliminary Plan described the boundaries of the Redevelopment Area, and contained a general statement of land uses, layout of principal streets, population densities, building intensities, and building standards. It also showed how the Plan would attain the purposes of the Redevelopment Law, and that the Plan conforms to the City Master Plan ("Master Plan").

The Plan conforms to the standards and provisions of the Preliminary Plan, as detailed below:

- Redevelopment Area Location and Description: This section of the Preliminary Plan describes the boundaries of the Redevelopment Area. The boundaries of the Redevelopment Area to which the Plan applies remain unchanged from those delineated in the Preliminary Plan.
- General Statement of Proposed Planning Elements: This section of the Preliminary Plan states that Redevelopment Area land uses, proposed layouts of principal streets, proposed population densities, proposed building intensities, and proposed building standards shall be subject to and controlled by the Master Plan, zoning ordinance, and other local codes, as amended from time to time. These planning elements have been incorporated into the Plan. Additionally, the Plan does not propose any changes to population or development densities or land use designations.
- Attainment of the Purposes of the Redevelopment Law: This section of the Preliminary Plan generally sets forth the objectives of the Redevelopment Area. To this end, the Plan contains a detailed list of redevelopment goals that permit the Agency to complete its redevelopment program to eliminate persisting blighting conditions in the Redevelopment Area in accordance with the Redevelopment Law.
- Conformance to the Master Plan: Both the Preliminary Plan and Plan conform to the standards, policies and provisions of the Master Plan, as they exist or are hereafter amended.



The Report and Recommendations of the Planning Commission

Pursuant to Section 279.570 of the Redevelopment Law, the Planning Commission adopted its report on the draft Plan on May 13, 1999 by Resolution No. ____, a copy of which follows this page. The Planning Commission resolution included a recommendation that the City Council adopt the Plan.

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RESOLUTION NO. 82

INTRODUCED BY THE PLANNING COMMISSION

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SPARKS MAKING ITS REPORT AND RECOMMENDATION CONCERNING THE PROPOSED REDEVELOPMENT PLAN FOR THE PROPOSED REDEVELOPMENT AREA 2 AND ITS CONFORMITY TO THE CITY'S MASTER PLAN

WHEREAS, the Planning Commission did approve a Preliminary Plan on March 11, 1999, which initiated the preparation of a redevelopment plan for the proposed Redevelopment Area 2 ("Redevelopment Area");

WHEREAS, the Redevelopment Agency of the City of Sparks ("Agency") has formulated a Draft Redevelopment Plan for Redevelopment Area 2, in the form attached hereto as Exhibit A ("Redevelopment Plan");

WHEREAS, pursuant to Section 279.570 (1) of the Community Redevelopment Law (Nevada Revised Statutes 279.382 to 279.685, inclusive), before a redevelopment plan is submitted to the City Council, it must first be submitted to the Planning Commission for its report and recommendation and for its conformity to the master plan of the community;

WHEREAS, on April 26, 1999, by Resolution No. 80 , the Agency directed staff to submit the Draft Redevelopment Plan for Redevelopment Area 2 ("Redevelopment Plan"), in the form attached hereto as Exhibit "A", to the Planning Commission;

WHEREAS, the Planning Commission has received and reviewed the Redevelopment Plan; and

WHEREAS, Redevelopment Plan would permit the redevelopment of the Redevelopment Area in a manner consistent with the City's Master Plan as follows:

1. Section 523 of the Redevelopment Plan provides that all development, whether public or private, must conform to the Redevelopment Plan and all applicable federal, State, and local laws, including without limitation the City's Master Plan and zoning ordinance, and all other state and local building codes, design standards, area plans or planned development handbooks as they now exist or are hereafter amended; and
2. Section 524 of the Redevelopment Plan provides that all real property sold, leased or conveyed by the Agency, as well as property subject to Owner Participation Agreements between the Agency and property owners, shall be made subject to the provisions of the City's Master Plan and zoning ordinance, and all other state and local building codes, design standards, area plans or planned development handbooks as they now exist or are hereafter amended; and

3. Section 601 of the Redevelopment Plan provides that the land uses permitted by this Plan shall be those permitted by the City's Master Plan and zoning ordinance, and all other state and local building codes, design standards, area plans or planned development handbooks as they now exist or are hereafter amended; and
4. Section 603 of the Redevelopment Plan provides that the street system in the Redevelopment Area shall be developed in accordance with the City's Master Plan and zoning ordinance, and all other state and local building codes, design standards, area plans or planned development handbooks as they now exist or are hereafter amended; and
5. Section 606 of the Redevelopment Plan provides that any interim uses shall conform to the City's Master Plan and zoning ordinance, and all other state and local building codes, design standards, area plans or planned development handbooks as they now exist or are hereafter amended; and
6. Section 607 of the Redevelopment Plan provides that no real property shall be developed, redeveloped, rehabilitated, or otherwise changed after the date of the adoption of this Plan except in conformance with the goals and provisions of the Plan and the regulations and requirements of the City's Master Plan and zoning ordinance, and all other state and local building codes, design standards, area plans or planned development handbooks as they now exist or are hereafter amended; and
7. Section 610 of the Redevelopment Plan provides that the number of dwelling units the Project Area shall be regulated by the Master Plan; and
8. Section 611 of the Redevelopment Plan provides that the amount of open space in the Redevelopment Area is to be the areas so designated by the City's Master Plan and zoning ordinance, and all other state and local building codes, design standards, area plans or planned development handbooks as they now exist or are hereafter amended; and
9. Section 612 of the Redevelopment Plan also provides that the type, size, height, number, and use of buildings in the Project Area will be controlled by the City's Master Plan and zoning ordinance, and all other state and local building codes, design standards, area plans or planned development handbooks as they now exist or are hereafter amended.

NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF SPARKS DOES HEREBY FIND, DETERMINE, AND RESOLVE THE FOLLOWING:

Section 1. Reports, finds, and determines that the Draft Redevelopment Plan for Redevelopment Area 2 conforms to the City of Sparks Master Plan.

Section 2. Recommends that the City Council adopt the Redevelopment Plan in the form attached hereto as Exhibit "A".

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5/24/

Section 3. Authorized and directs the officers, employees, staff, consultants and attorneys for the Planning Commission to take any and all actions that may be necessary to effectuate the purposes of this resolution or which are appropriate or desirable in the circumstances. In the event that prior to the adoption of the Draft Redevelopment Plan, the Agency or City Council desire to make any minor, technical, or clarifying changes to the Redevelopment Plan, the Planning Commission hereby finds and determines that any such minor, technical, or clarifying changes need not be referred to it for further report and recommendation.

Section 4. This Resolution shall constitute the report and recommendation of the Planning Commission on the Redevelopment Plan for Redevelopment Area 2 to the City Council pursuant to Section 279.570 of the community Redevelopment Law.

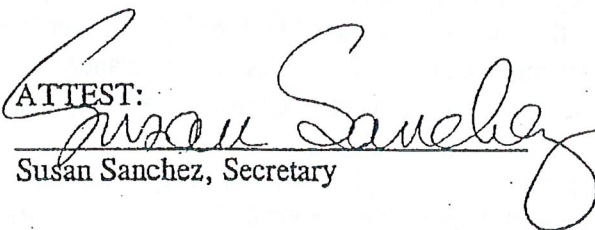
PASSED AND ADOPTED the 13th day of May, 1999, by the following vote of the Planning Commission:

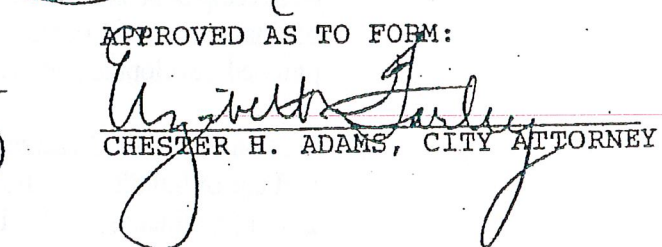
AYES: LOKKEN, MAYER, MACKEY, GUTIERREZ, SCHMITT

NAYS: _____

ABSENT: MOSS, KEARNEY

Approved this 13th day of May, 1999, by:

ATTEST:

Susan Sanchez, Secretary


Fred Lokken, Chairman
APPROVED AS TO FORM:

CHESTER H. ADAMS, CITY ATTORNEY

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5/24/9



Photo Survey

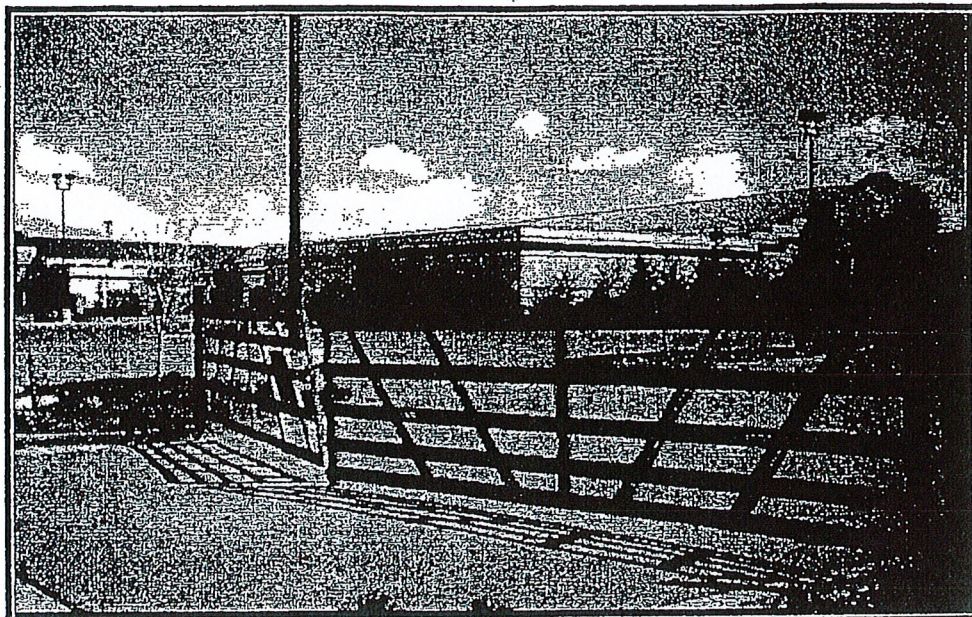


Photo 1: Vacated 109,000 square foot factory outlet mall on Sparks Boulevard.

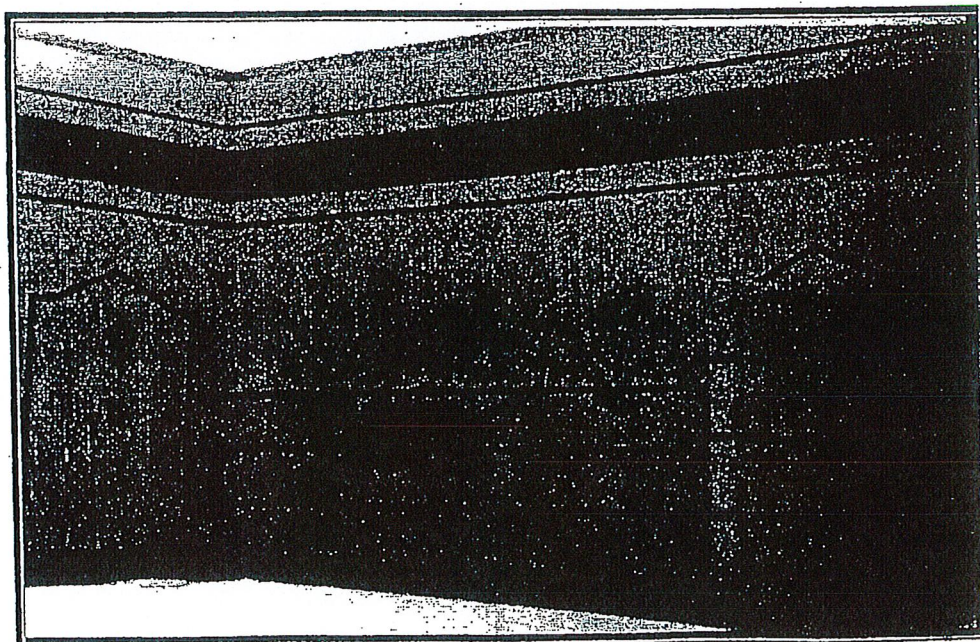


Photo 2: Evidence of vandalism on abandoned outlet mall building on Sparks Boulevard.

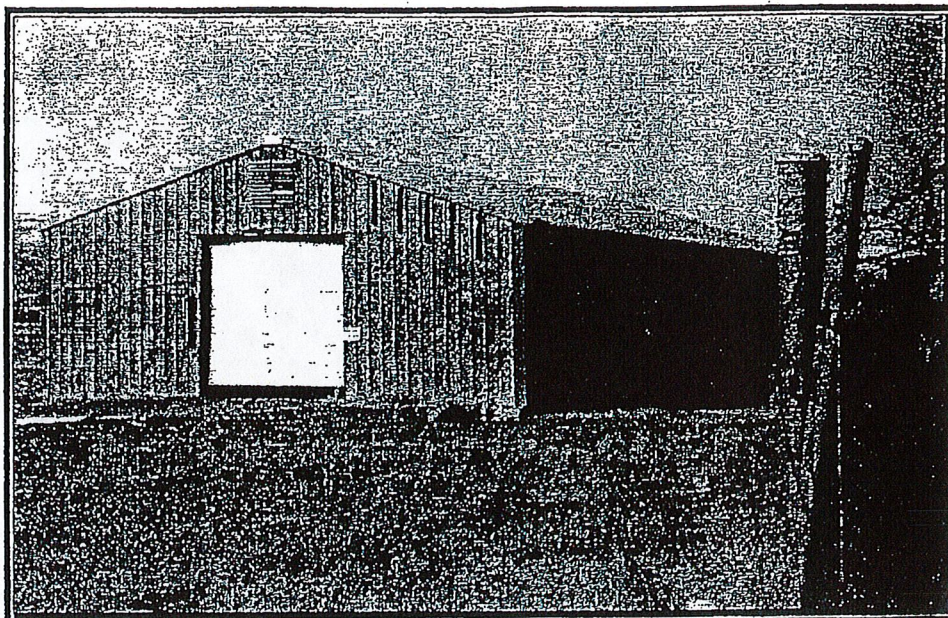


Photo 3: Deteriorated corrugated metal structure north of Sparks Maring Lake; this obsolete and abandoned structure could remain if the Agency is unable to facilitate development of the Marina Area.

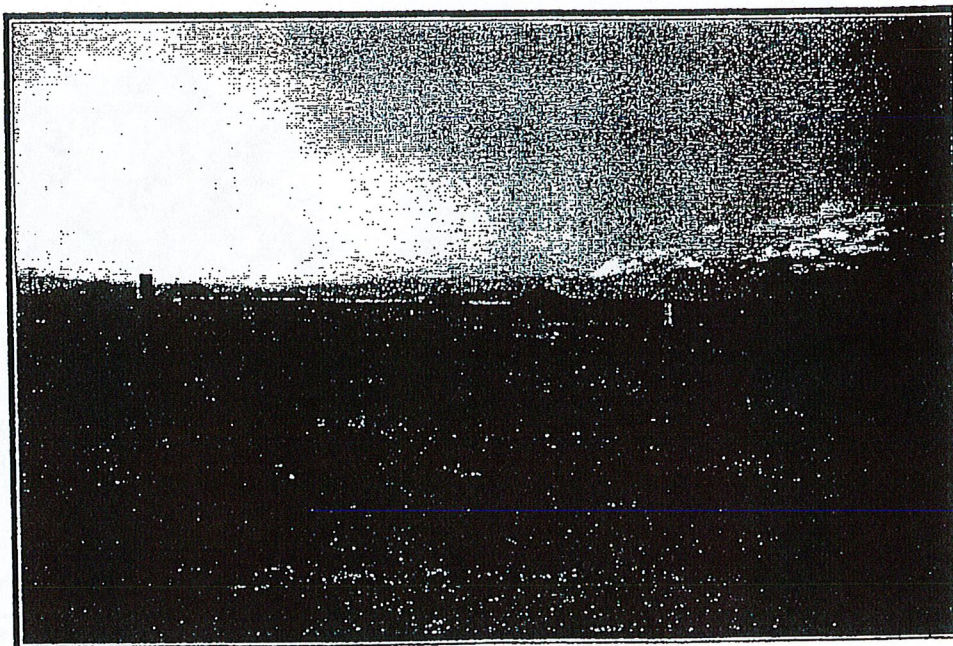


Photo 4: Photo of Marina Lake area. Note that despite the lake being filled at the time of this photograph (March, 1999), the area is significantly underdeveloped.

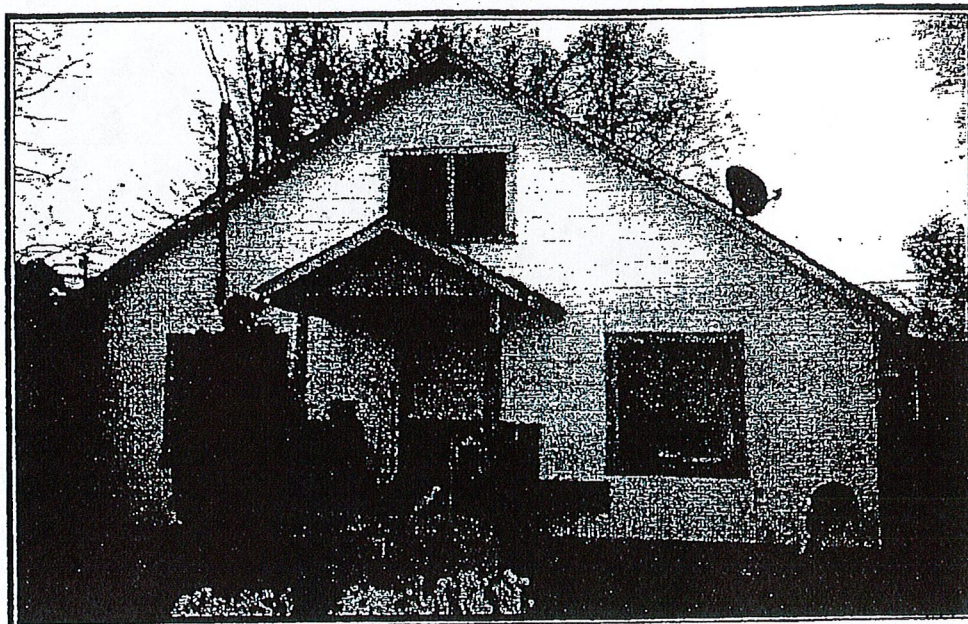


Photo 5: Dilapidated residence with unpainted trim, cracked foundation, and door damage on Glendale Avenue, between South 15th and 16th Streets.



Photo 6: Deteriorated residential structures at 1531 Pittman Avenue. Both units house industrial uses, and adjoin residential properties.

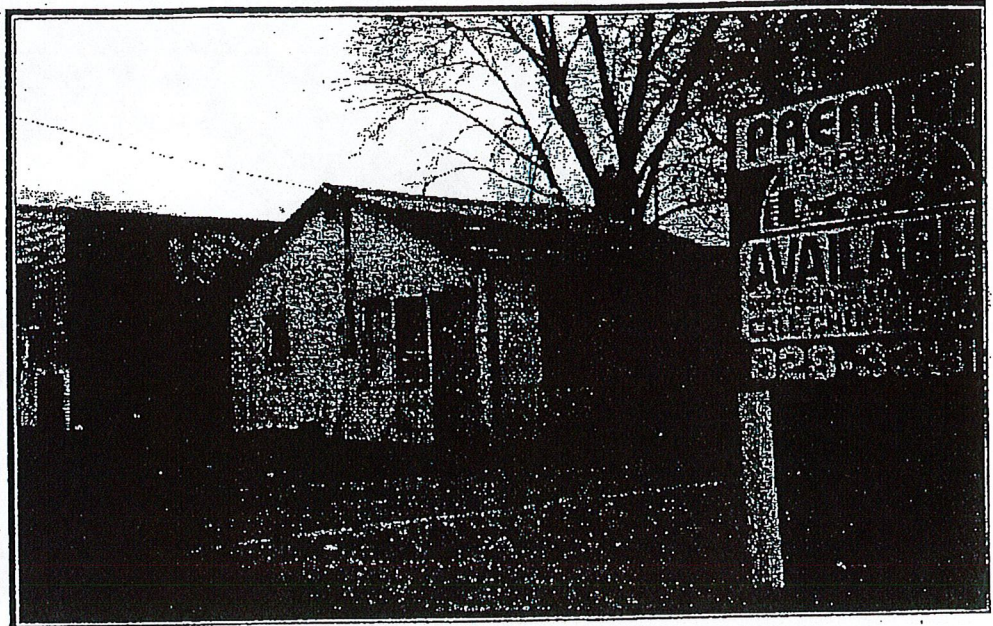


Photo 7: Deteriorating roofing material, boarded-up window on residence at Hymer Avenue and South 15th Street.

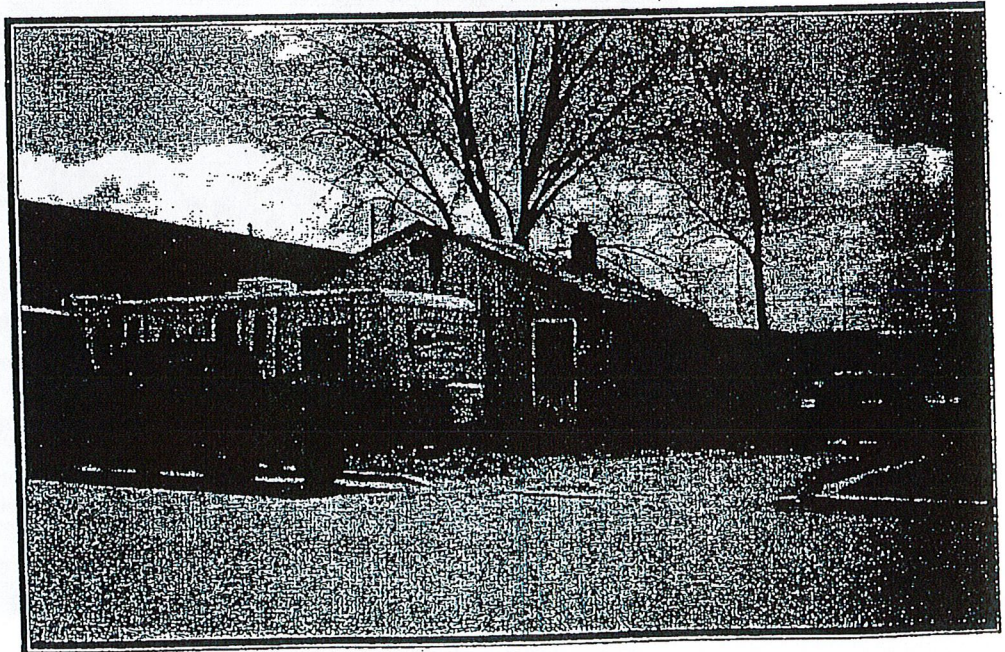


Photo 8: Same location as previous photograph, taken a year earlier. Note boarded-up window and deteriorated roofing material.

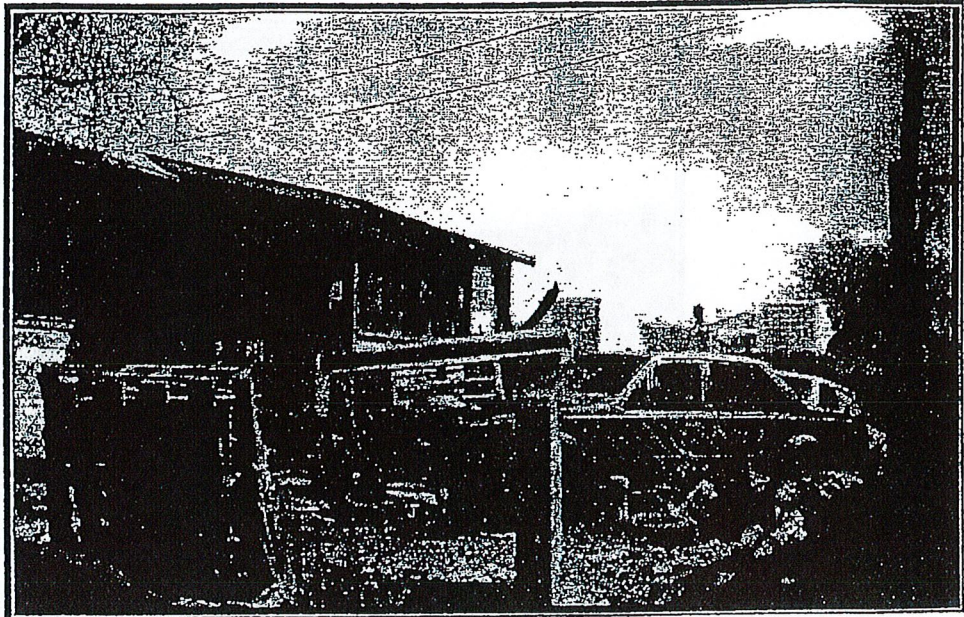


Photo 9: Junk and debris next to dilapidated residence at Hymer Avenue and South 18th Street.

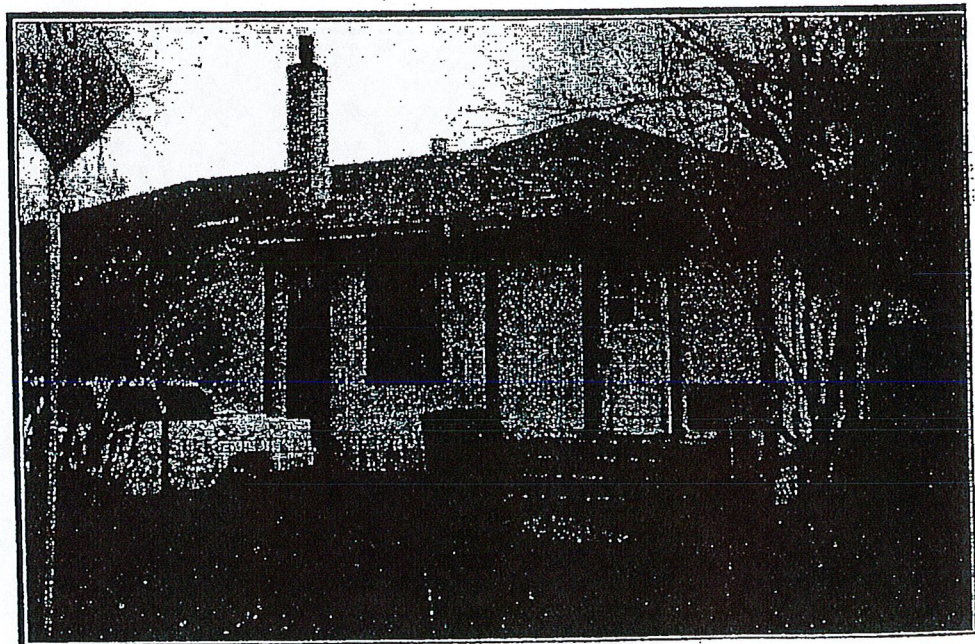


Photo 10: Note damaged facia, siding, and font door at this residence located at Hymer Avenue and South 15th Street.

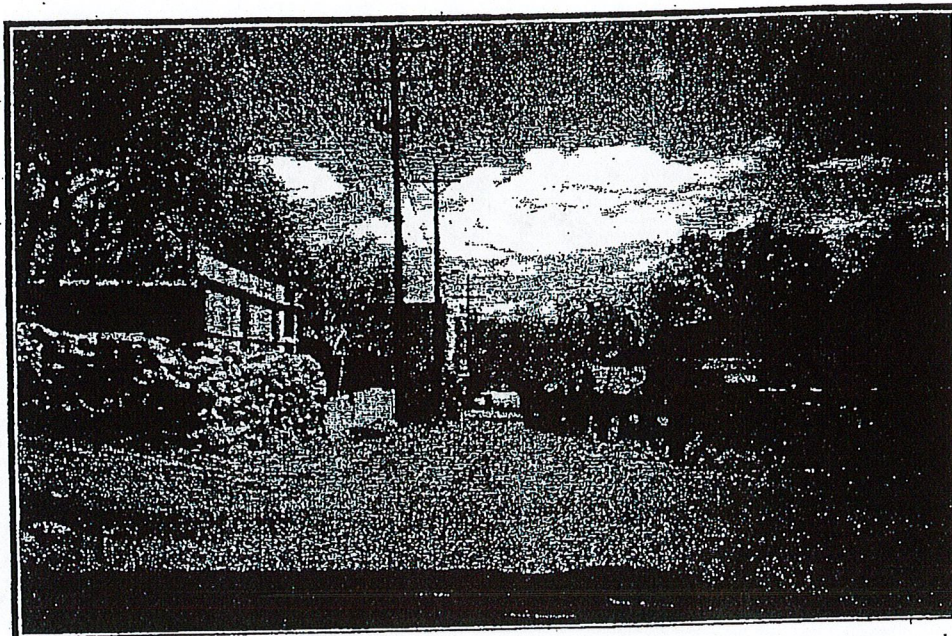


Photo 11: Hymer Avenue, looking east from South 21st Street. Note unimproved street.

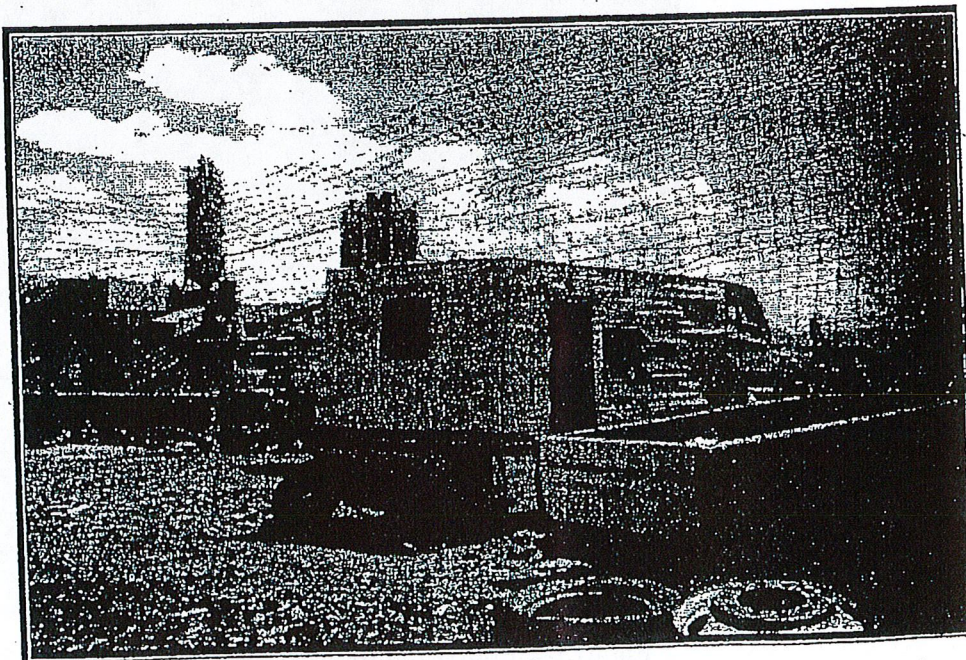


Photo 12: Junk storage along Hymer Avenue, between South 21st and South 19th Streets.

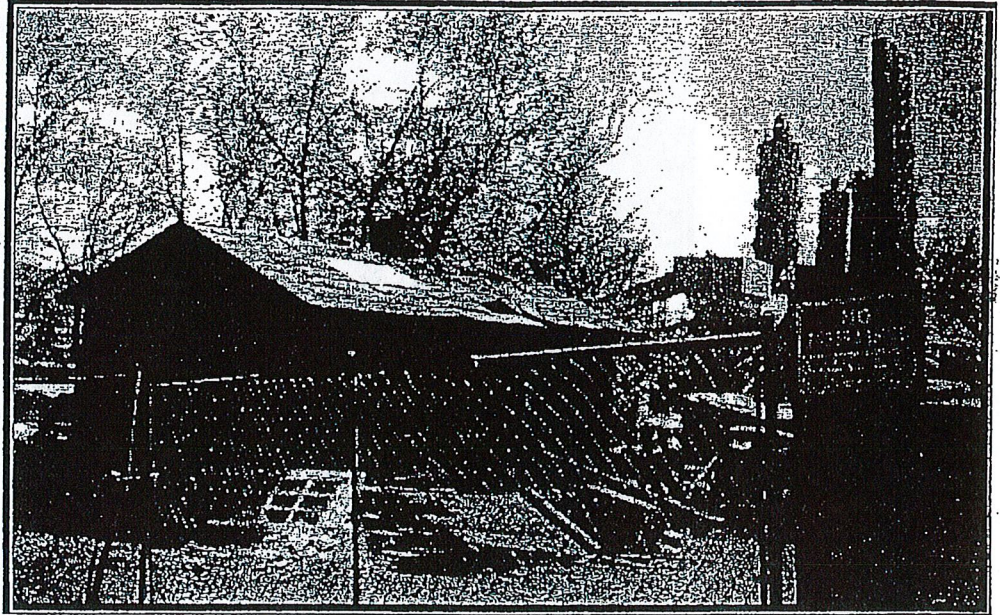


Photo 13: Rotting roof and siding at residence on Hymer Avenue.

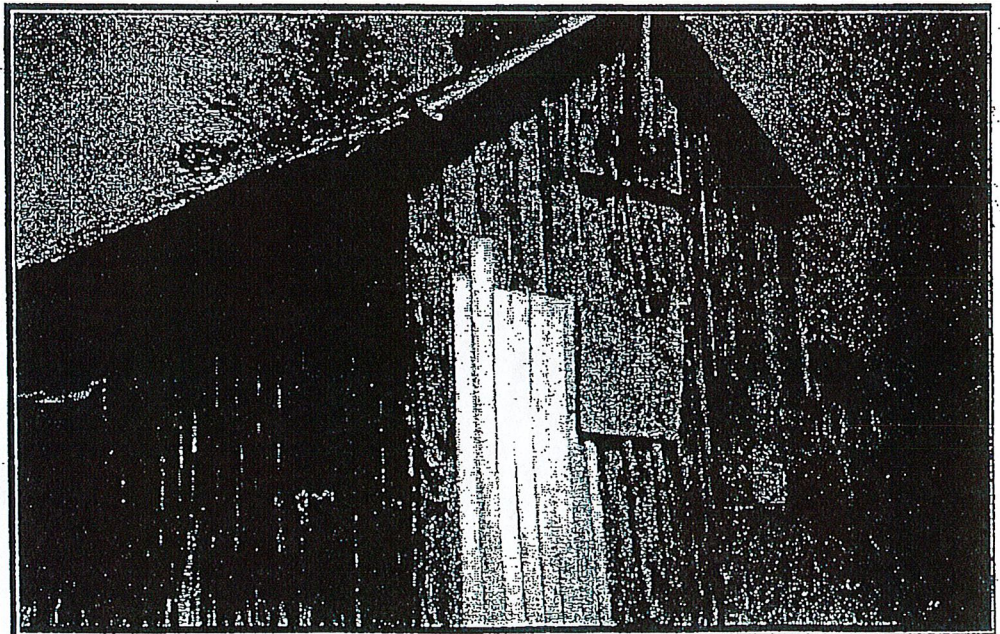


Photo 14: Poorly maintained siding of structure at Frazer Avenue and South 21st Street.

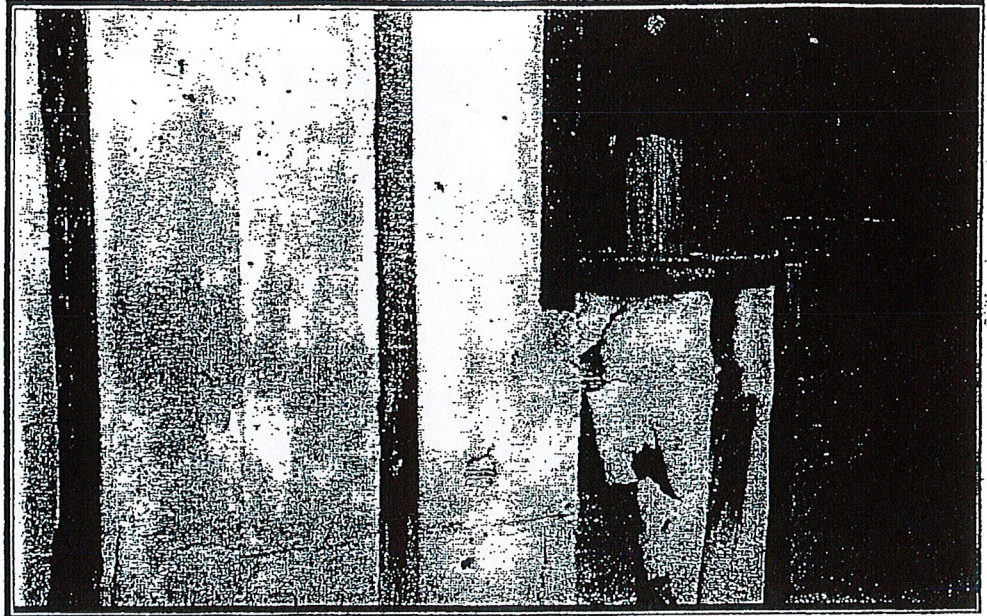


Photo 15: Weathered, deteriorated exterior of structure on Frazer Avenue.

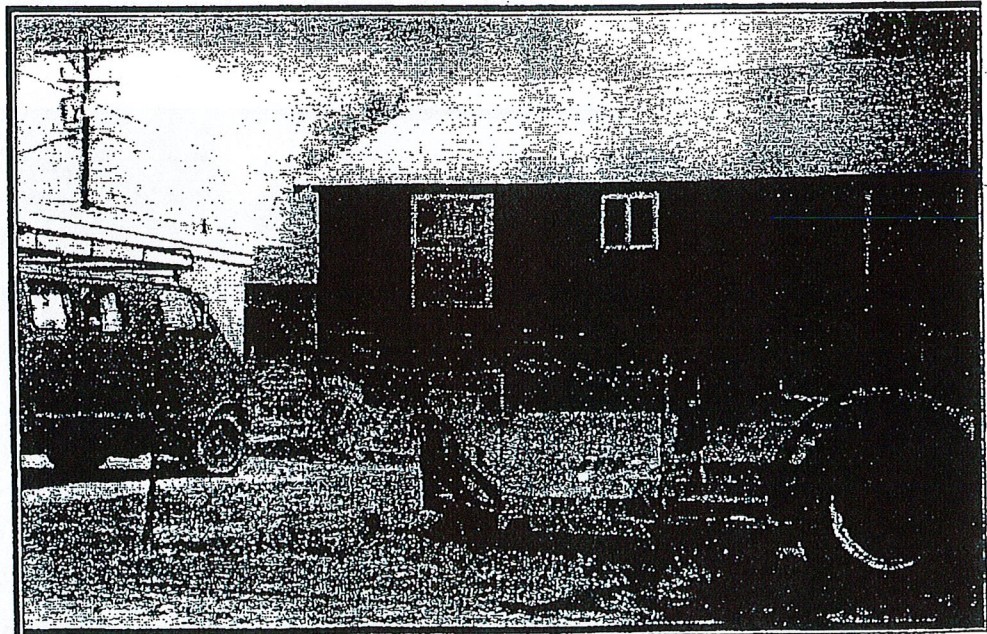


Photo 16: Open storage and deteriorating exterior at Hymer Avenue and South 18th Street.

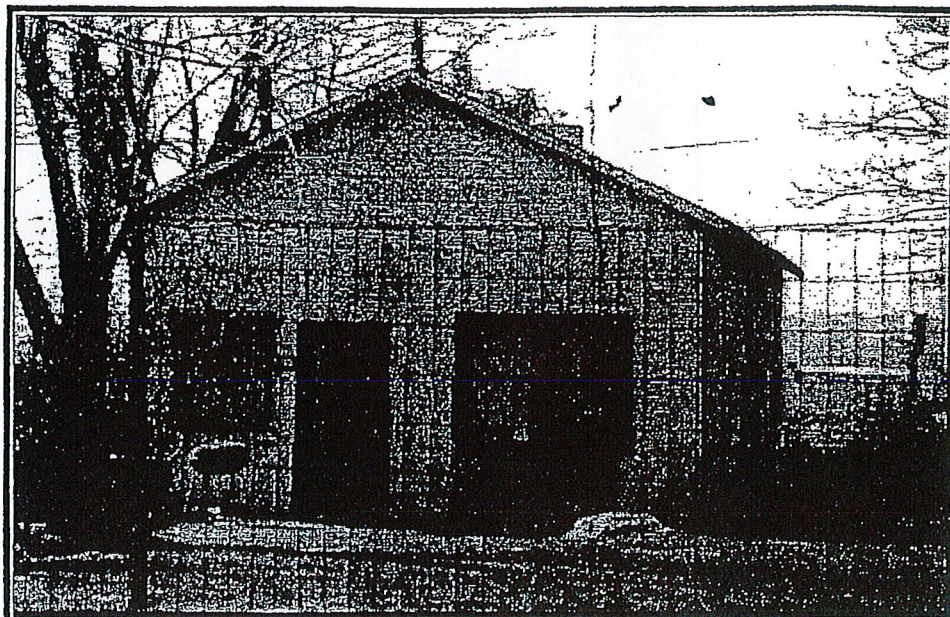


Photo 17: Single family residence located on Hymer Avenue, between South 21st and South 19th Streets. Structure has decaying wood siding and a rotting front door.

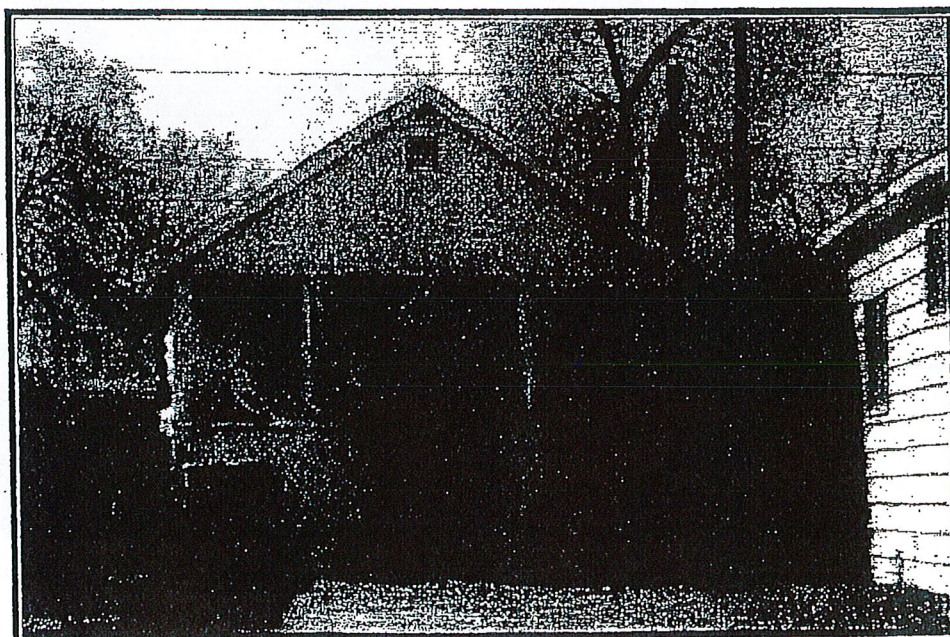


Photo 18: Small single family residence on 25 foot-wide dirt lot. Photo shows weathered exterior materials.

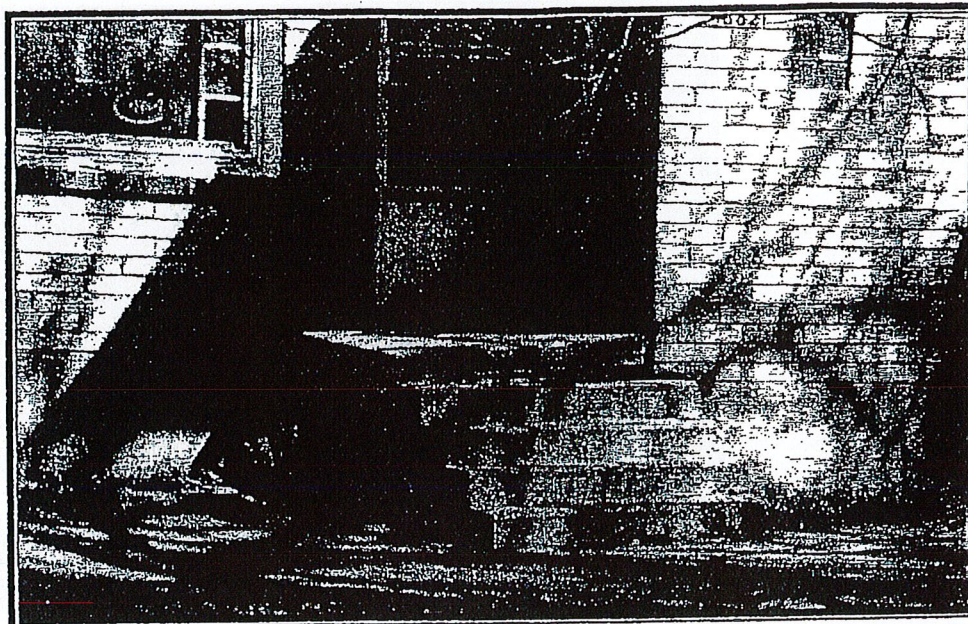


Photo 19: Photograph shows close-up of cracking foundation and brick siding on residence located at the northeast corner of Hymer Avenue and South 19th Street.

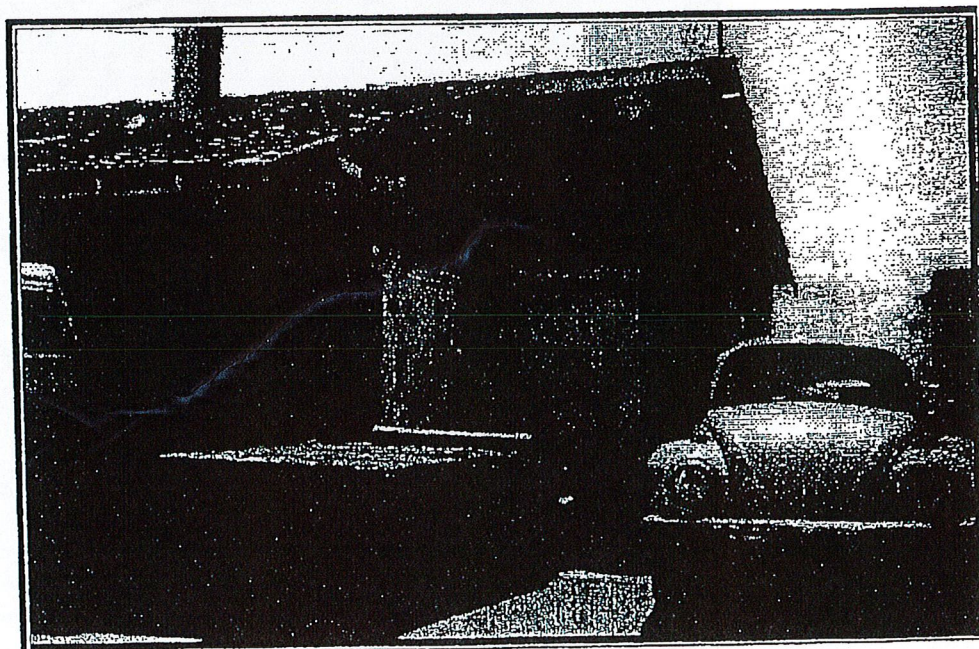


Photo 20: Aging, dilapidated residential building with unpainted facades and doors, and missing roof tiles on Hymer Avenue.

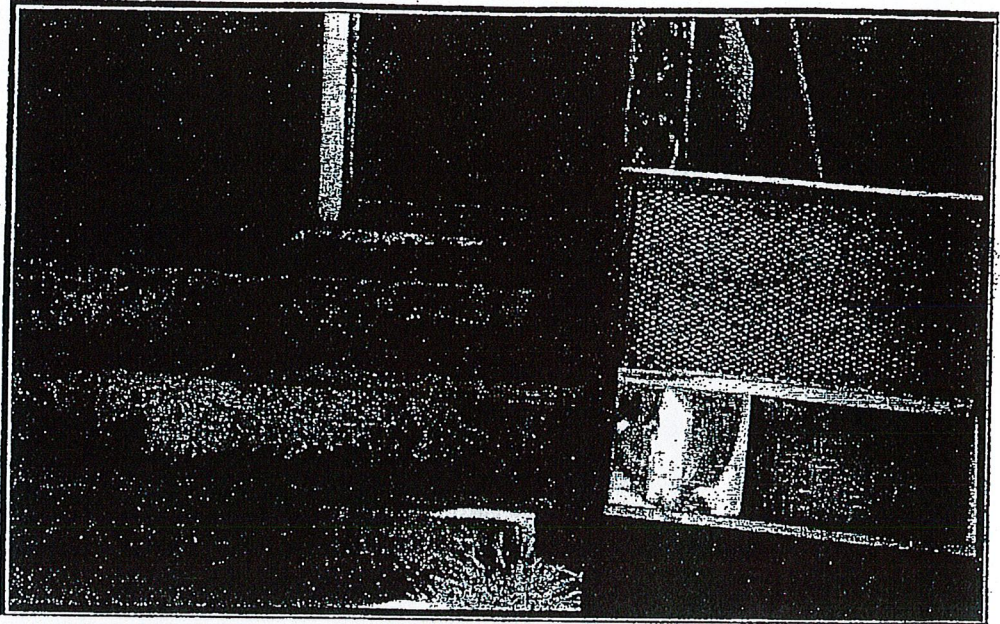


Photo 21: Eroding concrete steps and exterior surfaces on Pittman Avenue, between South 18th Street and South Rock Boulevard.

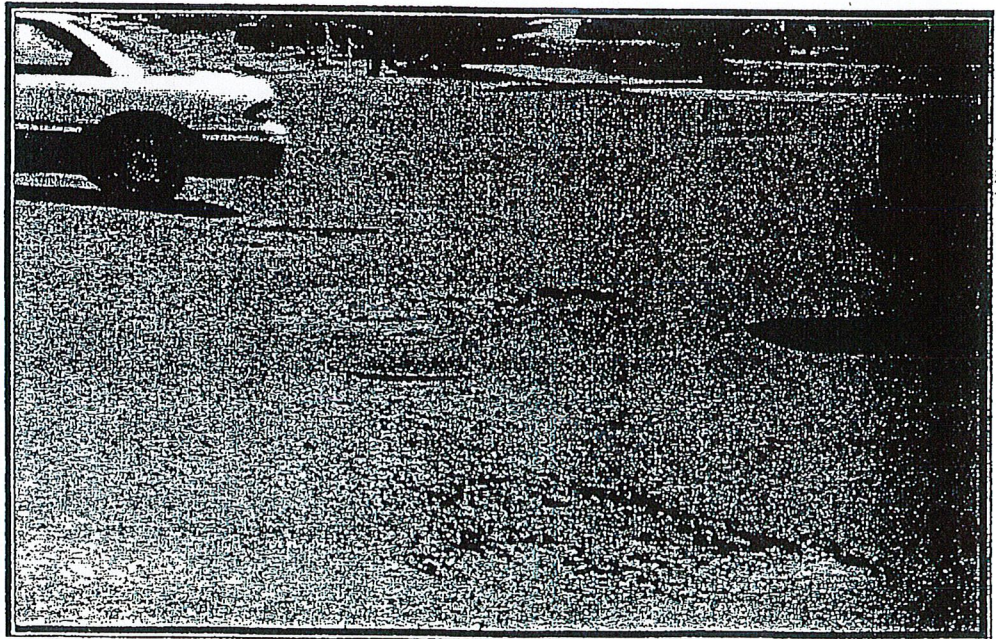


Photo 22: Deteriorated frontage street along Oddie Boulevard, between Exchange Street and Sullivan Lane.

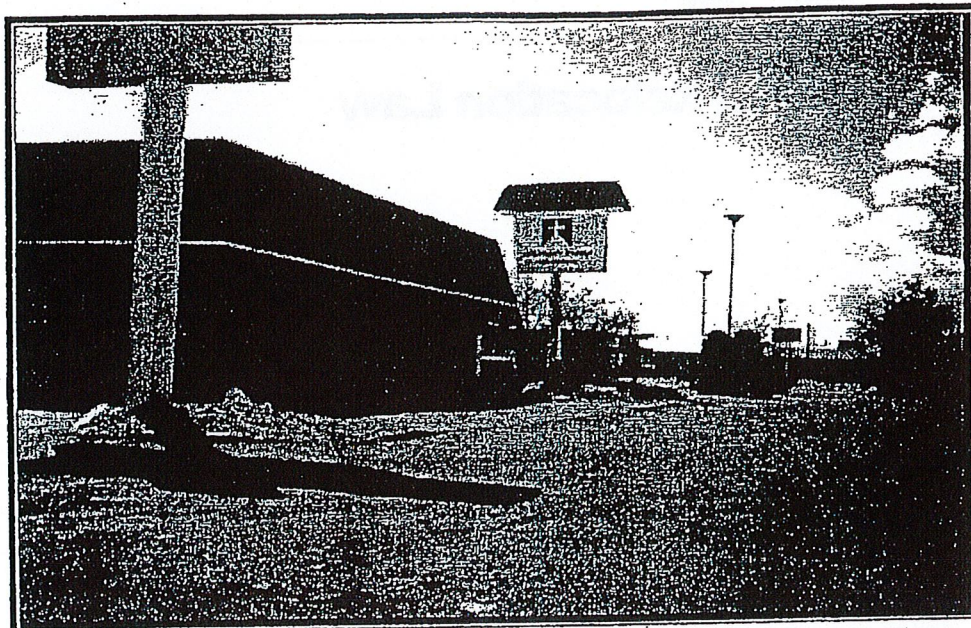


Photo 23: Older commercial building along deteriorating Oddie Boulevard frontage road.

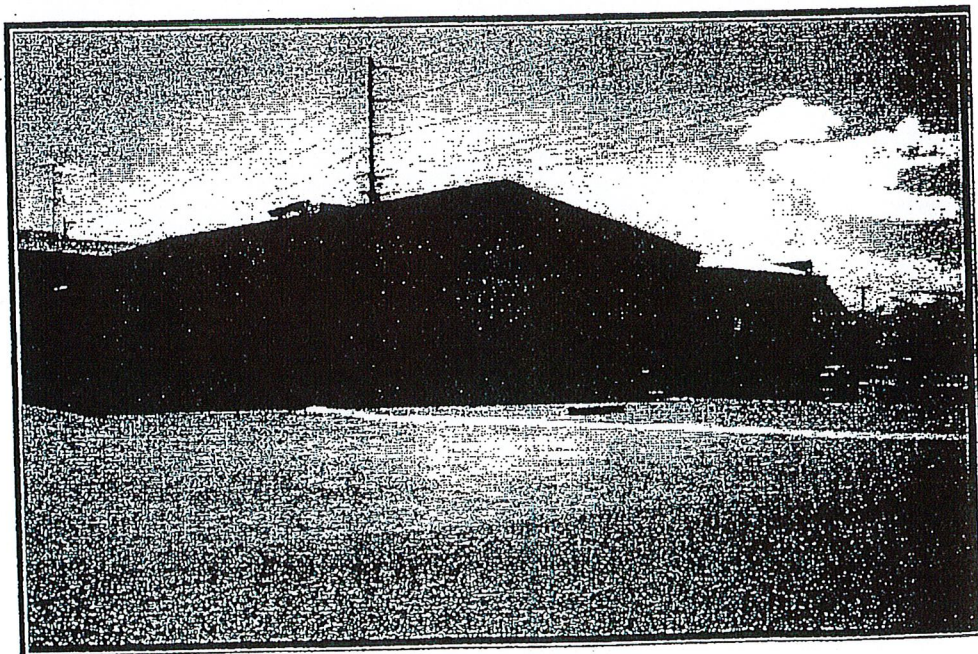


Photo 24: Commercial building on Oddie Boulevard lacking updated facade.

Appendix
B

State Relocation Law

ACQUISITION OF REAL PROPERTY AND ASSISTANCE IN RELOCATION

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NRS 342.105 Compliance with federal law required; adoption of regulations by director of department of transportation.

CHAPTER 342

ACQUISITION OF REAL PROPERTY AND ASSISTANCE IN RELOCATION

CROSS REFERENCES

Administrative Procedure Act, NRS ch. 233B

Community redevelopment projects, relocation payments, NRS 279.478

Eminent domain—

Generally, Const. Art. 1 § 8; NRS ch. 37

Public Works Eminent Domain Law, NRS ch. 340

Highways, acquisition of property, NRS 408.487-408.547

NRS 342.015 Definitions. As used in NRS 342.015 to 342.075, inclusive, unless the context otherwise requires:

1. "Acquisition" means the acquisition of real property by a governmental body by purchase or eminent domain.
2. "Business" means a business which is licensed in accordance with law.
3. "Displacement" means the actual vacating of real property by a natural person or business because of an acquisition by a governmental body.
4. "Governmental body" means any political subdivision of this state, any department, agency or instrumentality of a political subdivision.

and any other entity which is authorized to exercise the power of eminent domain.

(Added to NRS by 1995, 2232)

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NRS 342.025 Duty to develop process for claiming eligibility for services and benefits provided to displaced persons or businesses by governmental body. Before displacing a natural person or a business as a result of an acquisition, a governmental body shall develop a process by which natural persons or businesses who will be displaced from their dwellings or business establishments as a result of the acquisition, and who are otherwise eligible for services and benefits provided by the governmental body pursuant to NRS 342.015 to 342.075, inclusive, may claim eligibility for those services and benefits. The process must include, without limitation, claim forms and a schedule setting forth the time when those forms and any required attachments must be submitted to the governmental body and the time when the governmental body will distribute any monetary compensation or provide other services.

(Added to NRS by 1995, 2232)

NRS 342.035 Duty to provide certain administrative services to persons who may be displaced. A governmental body shall provide the following administrative services for persons whose dwellings or business establishments are situated on property proposed for acquisition by the governmental body:

1. Written materials and public meetings, where applicable, which will provide information on the proposed acquisition of the property and the services and benefits that will be available to the persons who will be displaced.
2. Information and assistance regarding the time and manner in which the persons may claim eligibility for such services and benefits.
3. Ninety days' written notice of the proposed displacement. This notice must contain information on the procedure for obtaining the services and benefits provided pursuant to NRS 342.015 to 342.075, inclusive, to which a person is otherwise eligible.

(Added to NRS by 1995, 2232)

REVISER'S NOTE.

Ch. 603, Stats. 1995, the source of this section, contains the following provision not included in NRS:

- "1. The provisions of subsection 1 of NRS 354.599 do not apply to any additional expenses of a local government which are related to the provisions of this act.
2. A local government may obtain reimbursement from a private entity to cover all or any part of the expenses incurred by the local government in carrying out the provisions of sections 2 to 8, inclusive, of this act."

NRS 342.045 Duty to adopt policies to provide relocation assistance and make relocation payments. Before undertaking a project that will result in the displacement of a natural person or a business, each governmental body shall adopt policies pursuant to NRS 342.015 to 342.075, inclusive, to provide relocation assistance and make relocation payments to each person displaced from his dwelling or business establishment as a result of the acquisition of property in a manner substantially similar to and in amounts equal to or greater than those which are provided for in the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. §§ 4601-4655, and the regulations adopted pursuant thereto.

(Added to NRS by 1995, 2233)

REVISER'S NOTE.

Ch. 603, Stats. 1995, the source of this section, contains the following provision not included in NRS:

- "1. The provisions of subsection 1 of NRS 354.599 do not apply to any additional expenses of a local government which are related to the provisions of this act.
2. A local government may obtain reimbursement from a private entity to cover all or any part of the expenses incurred by the local government in carrying out the provisions of sections 2 to 8, inclusive, of this act."

ATTORNEY GENERAL'S OPINIONS.

Policy of city redevelopment agency concerning relocation assistance conflicted with statute. Redevelopment Agency of City of Reno could not adopt policy pursuant to NRS 342.045 that authorized displaced businesses with month-to-month leases to receive displacement benefits pursuant to NRS 342.055 as policy would directly conflict with NRS 342.055, which specifically excludes month-to-month tenancies from provisions of section. Likewise, provisions of NRS 342.075 did not authorize redevelopment agency to expand class of persons entitled to receive displacement benefits pursuant to NRS 342.055. AGO 96-11 (4-24-1996)

NRS 342.055 Payments of certain costs, fees and sums to persons displaced as result of acquisition of property by or on behalf of urban renewal agency; exceptions; other appropriate action which allows relocation to comparable location.

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1. In addition to the relocation benefits provided pursuant to NRS 342.045, each person who is displaced from his business establishment as a result of the acquisition of property by an agency created pursuant to chapter 279 of NRS or by any person or entity acting on behalf of, in cooperation with or under contract with such an agency, and whose lease of the premises on which the establishment is situated is terminated as a consequence of the acquisition, must be paid:

(a) The actual, reasonable and necessary costs of alterations and other physical changes that are required to be made to a new location to render it suitable for the operation of the business;

(b) The actual, reasonable and necessary costs of modifications made to machinery, equipment and other personal property moved to the new location which were necessary for the operation of the business, except that such costs must not exceed the acquisition cost of the machinery, equipment and other personal property less accumulated depreciation;

(c) The prorated fees for any licenses, permits or certifications that must be obtained for the business to operate in the new location;

(d) The actual, reasonable and necessary fees for professional services incurred in connection with the acquisition of a replacement site, including the services of architects, appraisers, attorneys, engineers, realtors and other consultants; and

(e) A sum equal to:

(1) An amount which, when added to the amount that the tenant formerly paid in rent, will enable him to rent or lease a comparable business location on the current market for a term equal to the period that would have remained on his lease if it had not been terminated as a result of the acquisition of the property or 3 years, whichever is greater; or

(2) The fair market value of the business as determined in accordance with subsection 6 of NRS 37.009 if the business owner is unable to relocate his business establishment to a comparable new location because of the operation of a governmental ordinance, regulation or restriction or because a comparable business location is not available.

2. The provisions of this section do not apply to month-to-month tenancies.

3. The provisions of this section do not apply to a business which executes an initial lease within 1 year before the approval of a development agreement or other similar action of a governmental body identifying the property that will be acquired, unless the business is renewing a lease on a site that it has occupied for more than 1 year before the identification of the property that will be acquired.

4. A governmental body may adopt ordinances or regulations or take any other appropriate action which allows a business to be relocated to a comparable business location.

5. As used in this section, "comparable business location" means a location that is decent, safe and sanitary, adequate in size for the need of the displaced business, functionally equivalent for the purposes of the displaced business and located in an area not subject to unreasonably adverse environmental conditions.

6. Nothing contained in this section requires a governmental body to relocate a business to a location in a redevelopment area or an area similar to a redevelopment area, or to provide the benefits that a location in a redevelopment area would provide.

(Added to NRS by 1995, 2233; A 1997, 606)

REVISER'S NOTE.

Ch. 603, Stats. 1995, the source of this section, contains the following provision not included in NRS:

"1. The provisions of subsection 1 of NRS 354.599 do not apply to any additional expenses of a local government which are related to the provision of this act.

2. A local government may obtain reimbursement from a private entity to cover all or any part of the expenses incurred by the local government in carrying out the provisions of sections 2 to 8, inclusive, of this act.

3. The provisions of section 6 of this act do not apply to any business that executed a lease after January 1, 1992, for a site in a pedestrian mall that was created pursuant to NRS 268.810 to 268.823, inclusive, unless the business previously occupied that site under a lease for more than 1 year which was executed before January 1, 1992."

ATTORNEY GENERAL'S OPINIONS.

Policy of city redevelopment agency concerning relocation assistance conflicted with statute. Redevelopment Agency of City of Reno could not adopt policy pursuant to NRS 342.045 that authorized displaced businesses with month-to-month leases to receive displacement benefits pursuant to NRS 342.055 as policy would directly conflict with NRS 342.055, which specifically excludes month-to-month tenancies from provisions of section 6. Likewise, provisions of NRS 342.075 did not authorize redevelopment agency to expand class of persons entitled to receive displacement benefits pursuant to NRS 342.055. AGO 96-11 (4-24-1996)

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NRS 342.065 Period for making payments of benefits; payment to third party upon request; establishment of administrative appeal process for grievances.

1. All payments of benefits pursuant to NRS 342.015 to 342.075, inclusive, must be made within 90 days after notice of displacement given by a governmental body. If a person entitled to such benefits informs the governmental body that a payment is needed immediately to pay a third party, such as a new landlord, utility company or escrow company, the governmental body shall make any authorized payment directly to the third party upon request.

2. Each governmental body subject to the provisions of NRS 342.015 to 342.075, inclusive, shall establish an administrative appeal process for handling grievances arising pursuant to those sections. The process must include, at a minimum, notice and an opportunity to be heard.

(Added to NRS by 1995, 2234)

REVISER'S NOTE.

Ch. 603, Stats. 1995, the source of this section, contains the following provision not included in NRS:

"1. The provisions of subsection 1 of NRS 354.599 do not apply to any additional expenses of a local government which are related to the provisions of this act.

2. A local government may obtain reimbursement from a private entity to cover all or any part of the expenses incurred by the local government in carrying out the provisions of sections 2 to 8, inclusive, of this act."

NRS 342.075 Applicability of NRS 342.015 to 342.065, inclusive; discretion of governmental body to pay increased benefits; regulations governing interpretation of certain words or phrases.

1. Notwithstanding the provisions of any other statute to the contrary, the provisions of NRS 342.015 to 342.065, inclusive, apply to all acquisitions of real property by a governmental body by purchase or eminent domain unless the person who is being displaced owns and occupies the real property and willingly agrees to the purchase price offered by the governmental body.

2. Notwithstanding the provisions of NRS 342.015 to 342.065, inclusive, a governmental body may, if appropriate under the circumstances, pay to a displaced person an amount of benefits that exceeds the amounts set forth in NRS 342.015 to 342.065, inclusive. The governmental body has sole discretion to decide whether benefits will be paid in an amount that exceeds the amounts set forth in NRS 342.015 to 342.065, inclusive, and its decision on that matter is final.

3. The regulations adopted pursuant to the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, U.S.C. §§ 4601-4655, govern the interpretation of any word or phrase not specifically defined in NRS 342.015 and 342.055.

(Added to NRS by 1995, 2234)

REVISER'S NOTE.

Ch. 603, Stats. 1995, the source of this section, contains the following provision not included in NRS:

"1. The provisions of subsection 1 of NRS 354.599 do not apply to any additional expenses of a local government which are related to the provisions of this act.

2. A local government may obtain reimbursement from a private entity to cover all or any part of the expenses incurred by the local government in carrying out the provisions of sections 2 to 8, inclusive, of this act."

ATTORNEY GENERAL'S OPINIONS.

Policy of city redevelopment agency concerning relocation assistance conflicted with statute. Redevelopment Agency of City of Reno could not adopt policy pursuant to NRS 342.045 that authorized displaced businesses with month-to-month leases to receive displacement benefits pursuant to NRS 342.055 as policy would directly conflict with NRS 342.055, which specifically excludes month-to-month tenancies from provisions of section 342.055. Likewise, provisions of NRS 342.075 did not authorize redevelopment agency to expand class of persons entitled to receive displacement benefits pursuant to NRS 342.055. AGO 96-11 (4-24-1996)

NRS 342.105 Compliance with federal law required; adoption of regulations by director of department of transportation.

1. Any department, agency, instrumentality or political subdivision of this state, or any other public or private entity, which is subject to the provisions of the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. §§ 4601-4655, and the regulations adopted pursuant thereto, and which undertakes any project that results in the acquisition of real property or in a person being displaced from his home, business or farm, shall provide relocation assistance and make relocation payments to the displaced person and perform such other acts and follow such procedures and practices as are necessary to comply with those federal requirements.

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2. The director of the department of transportation shall review the federal act and all amendments and regulations adopted pursuant thereto and adopt such regulations as he finds are necessary to enable the State of Nevada to comply with those federal requirements.

(Added to NRS by 1989, 633)—(Substituted in revision for NRS 342.005)

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NEVADA CASES.

To recover attorney's fees where property was taken to widen public street, owner had to show federal assistance was received by county pay for portion of project. In proceeding for inverse condemnation, where property was taken by county to widen public street, attorney's fees awarded to owner of property under former NRS 342.320 were improper because owner failed to show that federal financial assistance was received by county to pay for all or any part of project as required by former NRS 342.120. County of Clark v. Alper, 100 Nev. 382, 685 P.2d 943 (1984)

Appendix
C

**Federal Uniform Relocation Assistance and
Real Property Acquisitions Policies Act of
1970, as Amended**

CHAPTER 61 - UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES FOR FEDERAL AND FEDERALLY ASSISTED PROGRAMS

SUBCHAPTER I - GENERAL PROVISIONS

- § 4601. Definitions.
- § 4602. Effect upon property acquisition.
- § 4603. Additional appropriations for moving costs, relocation benefits and other expenses incurred in acquisition of lands for National Park System; waiver of benefits.
- § 4604. Certification.
 - (a) Acceptance of State agency certification.
 - (b) Promulgation of regulations; notice and comment; consultation with local governments.
 - (c) Effect of noncompliance with certification or with applicable law.

SUBCHAPTER II - UNIFORM RELOCATION ASSISTANCE

- § 4621. Declaration of findings and policy.
 - (a) Findings.
 - (b) Policy.
 - (c) Congressional intent.
- § 4622. Moving and related expenses.
 - (a) General provision.
 - (b) Displacement from dwelling; election of payments: expense and dislocation allowance.
 - (c) Displacement from business or farm operation; election of payments; minimum and maximum amounts; eligibility.
 - (d) Certain utility relocation expenses.
- § 4623. Replacement housing for homeowner; mortgage insurance.
- § 4624. Replacement housing for tenants and certain others.
- § 4625. Relocation planning, assistance coordination, and advisory services.
 - (a) Planning of programs or projects undertaken by Federal agencies or with Federal financial assistance.
 - (b) Availability of advisory services.
 - (c) Measures, facilities, or services; description.
 - (d) Coordination of relocation activities with other Federal, State, or local governmental actions.
 - (e) Selection of implementation procedures.
 - (f) Tenants occupying property acquired for programs or projects; eligibility for advisory services
- § 4626. Housing replacement by Federal agency as last resort.
- § 4627. State required to furnish real property incident to Federal assistance (local cooperation).
- § 4628. State acting as agent for Federal program.
- § 4629. Public works programs and projects of District of Columbia government and Washington Metropolitan Area Transit Authority.
- § 4630. Requirements for relocation payments and assistance of federally assisted program; assurances availability of housing.
- § 4631. Federal share of costs.
 - (a) Cost to displacing agency; eligibility.
 - (b) Comparable payments under other laws.
 - (c) Agreements prior to January 2, 1971; advancements.
- § 4632. Administration; relocation assistance in programs receiving Federal financial assistance.
- § 4633. Duties of lead agency.
 - (a) General provisions.
 - (b) Regulations and procedures.
 - (c) Applicability to Tennessee Valley Authority and Rural Electrification Administration.

- § 4634. Repealed.
- § 4635. Planning and other preliminary expenses for additional housing.
- § 4636. Payments not to be considered as income for revenue purposes or for eligibility for assistance under Social Security Act or other Federal law.
- § 4637. Repealed.
- § 4638. Transfers of surplus property.

SUBCHAPTER III - UNIFORM REAL PROPERTY ACQUISITION POLICY

- § 4651. Uniform policy on real property acquisition practices.
- § 4652. Buildings, structures, and improvements.
- § 4653. Expenses incidental to transfer of title to United States.
- § 4654. Litigation expenses.
 - (a) Judgment for owner or abandonment of proceedings.
 - (b) Payment.
 - (c) Claims against United States.
- § 4655. Requirements for uniform land acquisition policies; payments of expenses incidental to transfer of real property to State; payment of litigation expenses in certain cases.

Sec. 4601. Definitions

As used in this chapter -

- (1) The term "Federal agency" means any department, agency, or instrumentality in the executive branch of the Government, any wholly owned Government corporation, the Architect of the Capitol, the Federal Reserve banks and branches thereof, and any person who has the authority to acquire property by eminent domain under Federal law.
- (2) The term "State" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, the Trust Territory of the Pacific Islands, and any political subdivision thereof.
- (3) The term "State agency" means any department, agency, or instrumentality of a State or of a political subdivision of a State, any department, agency, or instrumentality of 2 or more States or of 2 or more political subdivisions of a State or States, and any person who has the authority to acquire property by eminent domain under State law.
- (4) The term "Federal financial assistance" means a grant, loan, or contribution provided by the United States, except any Federal guarantee or insurance, any interest reduction payment to an individual in connection with the purchase and occupancy of a residence by that individual, and any annual payment or capital loan to the District of Columbia.
- (5) The term "person" means any individual, partnership, corporation, or association.
- (6)
 - (A) The term "displaced person" means, except as provided in subparagraph (B) -
 - (i) any person who moves from real property, or moves his personal property from real property -
 - (I) as a direct result of a written notice of intent to acquire or the acquisition of such real property in whole or in part for a program or project undertaken by a Federal agency or with Federal financial assistance; or
 - (II) on which such person is a residential tenant or conducts a small business, a farm operation, or a business defined in paragraph (7)(D), as a direct result of rehabilitation, demolition, or such other displacing activity as the lead agency may prescribe, under a program or project undertaken by a Federal agency or with Federal financial assistance in any case in which the head of the displacing agency determines that such displacement is permanent; and
 - (ii) solely for the purposes of sections 4622(a) and (b) and 4625 of this title, any person who moves from real property, or moves his personal property from real property -
 - (I) as a direct result of a written notice of intent to acquire or the acquisition of other real property, in whole or in part, on which such person conducts a business or farm operation, for a program or project undertaken by a Federal agency or with Federal financial assistance; or
 - (II) as a direct result of rehabilitation, demolition, or such other displacing activity as the lead agency may prescribe, of other real property on which such person conducts a business or a farm operation, under a program or project undertaken by a Federal agency or with Federal financial assistance where the head of the displacing agency determines

that such displacement is permanent.

- (B) The term "displaced person" does not include -
 - (i) a person who has been determined, according to criteria established by the head of the lead agency, to be either in unlawful occupancy of the displacement dwelling or to have occupied such dwelling for the purpose of obtaining assistance under this chapter;
 - (ii) in any case in which the displacing agency acquires property for a program or project, any person (other than a person who was an occupant of such property at the time it was acquired) who occupies such property on a rental basis for a short term or a period subject to termination when the property is needed for the program or project.
- (7) The term "business" means any lawful activity, excepting a farm operation, conducted primarily -
 - (A) for the purchase, sale, lease and rental of personal and real property, and for the manufacture, processing, or marketing of products, commodities, or any other personal property;
 - (B) for the sale of services to the public;
 - (C) by a nonprofit organization; or
 - (D) solely for the purposes of section 4622 of this title, for assisting in the purchase, sale, resale, manufacture, processing, or marketing of products, commodities, personal property, or services by the erection and maintenance of an outdoor advertising display or displays, whether or not such display or displays are located on the premises on which any of the above activities are conducted.
- (8) The term "farm operation" means any activity conducted solely or primarily for the production of one or more agricultural products or commodities, including timber, for sale or home use, and customarily producing such products or commodities in sufficient quantity to be capable of contributing materially to the operator's support.
- (9) The term "mortgage" means such classes of liens as are commonly given to secure advances on, or the unpaid purchase price of, real property, under the laws of the State in which the real property is located, together with the credit instruments, if any, secured thereby.
- (10) The term "comparable replacement dwelling" means any dwelling that is (A) decent, safe, and sanitary; (B) adequate in size to accommodate the occupants; (C) within the financial means of the displaced person; (D) functionally equivalent; (E) in an area not subject to unreasonable adverse environmental conditions; and (F) in a location generally not less desirable than the location of the displaced person's dwelling with respect to public utilities, facilities, services, and the displaced person's place of employment.
- (11) The term "displacing agency" means any Federal agency carrying out a program or project, and any State, State agency, or person carrying out a program or project with Federal financial assistance, which causes a person to be a displaced person.
- (12) The term "lead agency" means the Department of Transportation.
- (13) The term "appraisal" means a written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information.

Sec. 4602. Effect upon property acquisition

- (a) The provisions of section 4651 of this title create no rights or liabilities and shall not affect the validity of any property acquisitions by purchase or condemnation.
- (b) Nothing in this chapter shall be construed as creating in any condemnation proceedings brought under the power of eminent domain, any element of value or of damage not in existence immediately prior to January 2, 1971.

Sec. 4603. Additional appropriations for moving costs, relocation benefits and other expenses incurred in acquisition of lands for National Park System; waiver of benefits

- (a) In all instances where authorizations of appropriations for the acquisition of lands for the National Park System enacted prior to January 9, 1971, do not include provisions therefor, there are authorized to be appropriated such additional sums as may be necessary to provide for moving costs, relocation benefits, and other expenses incurred pursuant to the applicable provisions of this chapter. There are also authorized to be appropriated not to exceed \$8,400,000 in addition to those authorized in Public Law 92-272 (86 Stat. 120) to provide for such moving costs, relocation benefits, and other related expenses in connection with the acquisition of lands authorized by Public Law 92-272.
- (b) Whenever an owner of property elects to retain a right of use and occupancy pursuant to any statute authorizing the acquisition of property for purposes of a unit of the National Park System, such owner shall be deemed to have waived any benefits under sections 4623, 4624, 4625, and 4626 of this title, and for the purposes of those sections such owner shall not be considered a displaced person as defined in section 4601(6) of this title.

Sec. 4604. Certification

- (a) Acceptance of State agency certification
Notwithstanding sections 4630 and 4655 of this title, the head of a Federal agency may discharge any of his responsibilities under this chapter by accepting a certification by a State agency that it will carry out such responsibility, if the head of the lead agency determines that such responsibility will be carried out in accordance with State laws which will accomplish the purpose and effect of this chapter.
- (b) Promulgation of regulations; notice and comment; consultation with local governments
 - (1) The head of the lead agency shall issue regulations to carry out this section.
 - (2) Repealed. Pub. L. 104-66, title I, Sec. 1121(f), Dec. 21, 1995, 109 Stat. 724.
 - (3) Before making a determination regarding any State law under subsection (a) of this section, the head of the lead agency shall provide interested parties with an opportunity for public review and comment. In particular, the head of the lead agency shall consult with interested local general purpose governments within the State on the effects of such State law on the ability of local governments to carry out their responsibilities under this chapter.
- (c) Effect of noncompliance with certification or with applicable law
 - (1) The head of a Federal agency may withhold his approval of any Federal financial assistance to or contract or cooperative agreement with any displacing agency found by the Federal agency to have failed to comply with the laws described in subsection (a) of this section.
 - (2) After consultation with the head of the lead agency, the head of a Federal agency may rescind his acceptance of any certification under this section, in whole or in part, if the State agency fails to comply with such certification or with State law.

Sec. 4621. Declaration of findings and policy

- (a) Findings

The Congress finds and declares that -

- (1) displacement as a direct result of programs or projects undertaken by a Federal agency or with Federal financial assistance is caused by a number of activities, including rehabilitation, demolition, code enforcement, and acquisition;
- (2) relocation assistance policies must provide for fair, uniform, and equitable treatment of all affected persons;
- (3) the displacement of businesses often results in their closure;
- (4) minimizing the adverse impact of displacement is essential to maintaining the economic and social well-being of communities; and
- (5) implementation of this chapter has resulted in burdensome, inefficient, and inconsistent compliance requirements and procedures which will be improved by establishing a lead agency and allowing for State certification and implementation.

- (b) Policy

This subchapter establishes a uniform policy for the fair and equitable treatment of persons displaced as a direct result of programs or projects undertaken by a Federal agency or with Federal financial assistance. The primary purpose of this subchapter is to ensure that such persons shall not suffer disproportionate injuries as a result of programs and projects designed for the benefit of the public as a whole and to minimize the hardship of displacement on such persons.

- (c) Congressional intent

It is the intent of Congress that -

- (1) Federal agencies shall carry out this subchapter in a manner which minimizes waste, fraud, and mismanagement and reduces unnecessary administrative costs borne by States and State agencies in providing relocation assistance;
- (2) uniform procedures for the administration of relocation assistance shall, to the maximum extent feasible, assure that the unique circumstances of any displaced person are taken into account and that persons in essentially similar circumstances are accorded equal treatment under this chapter;
- (3) the improvement of housing conditions of economically disadvantaged persons under this subchapter shall be undertaken, to the maximum extent feasible, in coordination with existing Federal, State, and local governmental programs for accomplishing such goals; and
- (4) the policies and procedures of this chapter will be administered in a manner which is consistent with fair housing requirements and which assures all persons their rights under title VIII of the Act of April 11, 1968 (Public Law 90-284), commonly known as the Civil Rights Act of 1968 (42 U.S.C. 3601 et seq.), and title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.).

Sec. 4622. Moving and related expenses

• (a) General provision

Whenever a program or project to be undertaken by a displacing agency will result in the displacement of any person, the head of the displacing agency shall provide for the payment to the displaced person of -

- (1) actual reasonable expenses in moving himself, his family, business, farm operation, or other personal property;
- (2) actual direct losses of tangible personal property as a result of moving or discontinuing a business or farm operation, but not to exceed an amount equal to the reasonable expenses that would have been required to relocate such property, as determined by the head of the agency;
- (3) actual reasonable expenses in searching for a replacement business or farm; and
- (4) actual reasonable expenses necessary to reestablish a displaced farm, nonprofit organization, or small business at its new site, but not to exceed \$10,000.

• (b) Displacement from dwelling; election of payments: expense and dislocation allowance

Any displaced person eligible for payments under subsection (a) of this section who is displaced from a dwelling and who elects to accept the payments authorized by this subsection in lieu of the payments authorized by subsection (a) of this section may receive an expense and dislocation allowance, which shall be determined according to a schedule established by the head of the lead agency.

• (c) Displacement from business or farm operation; election of payments; minimum and maximum amounts; eligibility

Any displaced person eligible for payments under subsection (a) of this section who is displaced from a person's place of business or farm operation and who is eligible under criteria established by the head of the lead agency may elect to accept the payment authorized by this subsection in lieu of the payment authorized by subsection (a) of this section. Such payment shall consist of a fixed payment in an amount to be determined according to criteria established by the head of the lead agency, except that such payment shall not be less than \$1,000 nor more than \$20,000. A person whose sole business at the displacement dwelling is the rental of such property to others shall not qualify for a payment under this subsection.

• (d) Certain utility relocation expenses

• (1) Except as otherwise provided by Federal law -

- (A) if a program or project (i) which is undertaken by a displacing agency, and (ii) the purpose of which is not to relocate or reconstruct any utility facility, results in the relocation of a utility facility;
- (B) if the owner of the utility facility which is being relocated under such program or project has entered into, with the State or local government on whose property, easement, or right-of-way such facility is located, a franchise or similar agreement with respect to the use of such property, easement, or right-of-way; and
- (C) if the relocation of such facility results in such owner incurring an extraordinary cost in connection with such relocation; the displacing agency may, in accordance with such regulations as the head of

lead agency may issue; provide to such owner a relocation payment which may not exceed the amount of such extraordinary cost (less any increase in the value of the new utility facility above the value of the old utility facility and less any salvage value derived from the old utility facility).

- (2) For purposes of this subsection, the term -
 - (A) "extraordinary cost in connection with a relocation" means any cost incurred by the owner of a utility facility in connection with relocation of such facility which is determined by the head of the displacing agency, under such regulations as the head of the lead agency shall issue -
 - (i) to be a non-routine relocation expense;
 - (ii) to be a cost such owner ordinarily does not include in its annual budget as an expense of operation; and
 - (iii) to meet such other requirements as the lead agency may prescribe in such regulations; and
 - (B) "utility facility" means -
 - (i) any electric, gas, water, steam power, or materials transmission or distribution system;
 - (ii) any transportation system;
 - (iii) any communications system (including cable television); and
 - (iv) any fixtures, equipment, or other property associated with the operation, maintenance, or repair of any such system; located on property which is owned by a State or local government or over which a State or local government has an easement or right-of-way. A utility facility may be publicly, privately, or cooperatively owned.

Sec. 4623. Replacement housing for homeowner; mortgage insurance

- (a)
 - (1) In addition to payments otherwise authorized by this subchapter, the head of the displacing agency shall make an additional payment not in excess of \$22,500 to any displaced person who is displaced from a dwelling actually owned and occupied by such displaced person for not less than one hundred and eighty days prior to the initiation of negotiations for the acquisition of the property. Such additional payment shall include the following elements:
 - (A) The amount, if any, which when added to the acquisition cost of the dwelling acquired by the displacing agency, equals the reasonable cost of a comparable replacement dwelling.
 - (B) The amount, if any, which will compensate such displaced person for any increased interest costs and other debt service costs which such person is required to pay for financing the acquisition of any such comparable replacement dwelling. Such amount shall be paid only if the dwelling acquired by the displacing agency was encumbered by a bona fide mortgage which was a valid lien on such dwelling for not less than 180 days immediately prior to the initiation of negotiations for the acquisition of such dwelling.
 - (C) Reasonable expenses incurred by such displaced person for evidence of title, recording fees, and other closing costs incident to the purchase of the replacement dwelling, but not including prepaid expenses.
 - (2) The additional payment authorized by this section shall be made only to a displaced person who purchases and occupies a decent, safe, and sanitary replacement dwelling within 1 year after the date on which such person receives final payment from the displacing agency for the acquired dwelling or the date on which the displacing agency's obligation under section 4625(c)(3) of this title is met, whichever is later, except that the displacing agency may extend such period for good cause. If such period is extended, the payment under this section shall be based on the costs of relocating the person to a comparable replacement dwelling within 1 year of such date.
- (b) The head of any Federal agency may, upon application by a mortgagee, insure any mortgage (including advances during construction) on a comparable replacement dwelling executed by a displaced person assisted under this section, which mortgage is eligible for insurance under any Federal law administered by such agency notwithstanding any requirements under such law relating to age, physical condition, or other personal characteristics of eligible mortgagors, and may make commitments for the insurance of such mortgage prior to the date of execution of the mortgage.

Sec. 4624. Replacement housing for tenants and certain others

- (a) In addition to amounts otherwise authorized by this subchapter, the head of a displacing agency shall make a payment to or for any displaced person displaced from any dwelling not eligible to receive a payment under section 4623 of this title which dwelling was actually and lawfully occupied by such displaced person for not less than 90 days immediately prior to (1) the initiation of negotiations for acquisition of such dwelling, or (2) in any case in which displacement is not a direct result of acquisition, such other event as the head of the lead agency shall prescribe. Such payment shall consist of the amount necessary to enable such person to lease or rent for a period not to exceed 42 months, a comparable replacement dwelling, but not to exceed \$5,250. At the discretion of the head of the displacing agency, a payment under this subsection may be made in periodic installments. Computation of a payment under this subsection to a low-income displaced person for a comparable replacement dwelling shall take into account such person's income.
- (b) Any person eligible for a payment under subsection (a) of this section may elect to apply such payment to a down payment on, and other incidental expenses pursuant to, the purchase of a decent, safe, and sanitary replacement dwelling. Any such person may, at the discretion of the head of the displacing agency, be eligible under this subsection for the maximum payment allowed under subsection (a) of this section, except that, in the case of a displaced homeowner who has owned and occupied the displacement dwelling for at least 90 days but not more than 180 days immediately prior to the initiation of negotiation for the acquisition of such dwelling, such payment shall not exceed the payment such person would otherwise have received under section 4623(a) of this title had the person owned and occupied the displacement dwelling 180 days immediately prior to the initiation of such negotiations.

Sec. 4625. Relocation planning, assistance coordination, and advisory services

- (a) Planning of programs or projects undertaken by Federal agencies or with Federal financial assistance
Programs or projects undertaken by a Federal agency or with Federal financial assistance shall be planned in a manner that (1) recognizes, at an early stage in the planning of such programs or projects and before the commencement of any actions which will cause displacements, the problems associated with the displacement of individuals, families, businesses, and farm operations, and (2) provides for the resolution of such problems in order to minimize adverse impacts on displaced persons and to expedite program and project advancement and completion.
- (b) Availability of advisory services
The head of any displacing agency shall ensure that the relocation assistance advisory services described in subsection (c) of this section are made available to all persons displaced by such agency. If such agency head determines that any person occupying property immediately adjacent to the property where the displacing activity occurs is caused substantial economic injury as a result thereof, the agency head may make available to such person such advisory services.
- (c) Measures, facilities, or services; description
Each relocation assistance advisory program required by subsection (b) of this section shall include such measures, facilities, or services as may be necessary or appropriate in order to -
 - (1) determine, and make timely recommendations on, the needs and preferences, if any, of displaced persons for relocation assistance;
 - (2) provide current and continuing information on the availability, sales prices, and rental charges of comparable replacement dwellings for displaced homeowners and tenants and suitable locations for businesses and farm operations;
 - (3) assure that a person shall not be required to move from a dwelling unless the person has had a reasonable opportunity to relocate to a comparable replacement dwelling, except in the case of -
 - (A) a major disaster as defined in section 5122(2) of this title;
 - (B) a national emergency declared by the President; or
 - (C) any other emergency which requires the person to move immediately from the dwelling because continued occupancy of such dwelling by such person constitutes a substantial danger to the health or safety of such person;
 - (4) assist a person displaced from a business or farm operation in obtaining and becoming established in a suitable replacement location;
 - (5) supply (A) information concerning other Federal and State programs which may be of assistance to displaced persons, and (B) technical assistance to such persons in applying for assistance under such programs; and
 - (6) provide other advisory services to displaced persons in order to minimize hardships to such persons in adjusting to relocation.
- (d) Coordination of relocation activities with other Federal,

State, or local governmental actions

The head of a displacing agency shall coordinate the relocation activities performed by such agency with other Federal, State, or local governmental actions in the community which could affect the efficient and effective delivery of relocation assistance and related services.

- (e) Selection of implementation procedures

Whenever two or more Federal agencies provide financial assistance to a displacing agency other than a Federal agency, to implement functionally or geographically related activities which will result in the displacement of a person, the heads of such Federal agencies may agree that the procedures of one of such agencies shall be utilized to implement this subchapter with respect to such activities. If such agreement cannot be reached, then the head of the lead agency shall designate one of such agencies as the agency whose procedures shall be utilized to implement this subchapter with respect to such activities. Such related activities shall constitute a single program or project for purposes of this chapter.

- (f) Tenants occupying property acquired for programs or projects; eligibility for advisory services

Notwithstanding section 4601(1) of this title, in any case in which a displacing agency acquires property for a program or project, any person who occupies such property on a rental basis for a short term or a period subject to termination when the property is needed for the program or project shall be eligible for advisory services to the extent determined by the displacing agency.

Sec. 4626. Housing replacement by Federal agency as last resort

- (a) If a program or project undertaken by a Federal agency or with Federal financial assistance cannot proceed on a timely basis because comparable replacement dwellings are not available, and the head of the displacing agency determines that such dwellings cannot otherwise be made available, the head of the displacing agency may take such action as is necessary or appropriate to provide such dwellings by use of funds authorized for such project. The head of the displacing agency may use this section to exceed the maximum amounts which may be paid under sections 4623 and 4624 of this title on a case-by-case basis for good cause as determined in accordance with such regulations as the head of the lead agency shall issue.
- (b) No person shall be required to move from his dwelling on account of any program or project undertaken by a Federal agency or with Federal financial assistance, unless the head of the displacing agency is satisfied that comparable replacement housing is available to such person.

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Sec. 4627. State required to furnish real property incident to Federal assistance (local cooperation)

Whenever real property is acquired by a State agency and furnished as a required contribution incident to a Federal program or project, the Federal agency having authority over the program or project may not accept such property unless such State agency has made all payments and provided all assistance and assurances, as are required of a State agency by sections 4630 and 4655 of this title. Such State agency shall pay the cost of such requirements in the same manner and to the same extent as the real property acquired for such project, except that in the case of any real property acquisition or displacement occurring prior to July 1, 1972, such Federal agency shall pay 100 per centum of the first \$25,000 of the cost of providing such payments and assistance.

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Sec. 4628. State acting as agent for Federal program

Whenever real property is acquired by a State agency at the request of a Federal agency for a Federal program or project, such acquisition shall, for the purposes of this chapter, be deemed an acquisition by the Federal agency having authority over such program or project.

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Sec. 4629. Public works programs and projects of District of Columbia government and Washington Metropolitan Area Transit Authority

Whenever real property is acquired by the government of the District of Columbia or the Washington Metropolitan Area Transit Authority for a program or project which is not subject to sections 4630 and 4631 of this title, and such acquisition will result in the displacement of any person on or after January 2, 1971, the Mayor of the District of Columbia or the Washington Metropolitan Area Transit Authority, as the case may be, shall make all relocation payments and provide all assistance required of a Federal agency by this chapter. Whenever real property is acquired for such a program or project on or after such effective date, such Mayor or Authority, as the case may be, shall make all payments and meet all requirements prescribed for a Federal agency by subchapter III of this chapter.

Sec. 4630. Requirements for relocation payments and assistance of federally assisted program; assurance of availability of housing

Notwithstanding any other law, the head of a Federal agency shall not approve any grant to, or contract or agreement with, a displacing agency (other than a Federal agency), under which Federal financial assistance will be available to pay all or part of the cost of any program or project which will result in the displacement of any person on or after January 2, 1971, unless he receives satisfactory assurances from such displacing agency that

- (1) fair and reasonable relocation payments and assistance shall be provided to or for displaced persons, as are required to be provided by a Federal agency under sections 4622, 4623, and 4624 of this title;
- (2) relocation assistance programs offering the services described in section 4625 of this title shall be provided to such displaced persons;
- (3) within a reasonable period of time prior to displacement, comparable replacement dwellings will be available to displaced persons in accordance with section 4625(c)(3) of this title.

Sec. 4631. Federal share of costs

- (a) Cost to displacing agency; eligibility

The cost to a displacing agency of providing payments and assistance under this subchapter and subchapter III of this chapter shall be included as part of the cost of a program or project undertaken by a Federal agency or with Federal financial assistance. A displacing agency, other than a Federal agency, shall be eligible for Federal financial assistance with respect to such payments and assistance in the same manner and to the same extent as other program or project costs.

- (b) Comparable payments under other laws

No payment or assistance under this subchapter or subchapter III of this chapter shall be required to be made to any person or included as a program or project cost under this section, if such person receives a payment required by Federal, State, or local law which is determined by the head of the Federal agency to have substantially the same purpose and effect as such payment under this section.

- (c) Agreements prior to January 2, 1971; advancements

Any grant to, or contract or agreement with, a State agency executed before January 2, 1971, under which Federal financial assistance is available to pay all or part of the cost of any program or project which will result in the displacement of any person on or after January 2, 1971, shall be amended to include the cost of providing payments and services under sections 4630 and 4655 of this title. If the head of a Federal agency determines that it is necessary for the expeditious completion of a program or project he may advance to the State agency the Federal share of the cost of any payments or assistance by such State agency pursuant to sections 4626, 4630, 4635, and 4655 of this title.

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Sec. 4632. Administration; relocation assistance in programs receiving Federal financial assistance

In order to prevent unnecessary expenses and duplications of functions, and to promote uniform and effective administration of relocation assistance programs for displaced persons under sections 4626, 4630, and 4635 of this title, a State agency may enter into contracts with any individual, firm, association, or corporation for services in connection with such programs, or may carry out its functions under this subchapter through any Federal or State governmental agency or instrumentality having an established organization for conducting relocation assistance programs. Such State agency shall, in carrying out the relocation assistance activities described in section 4626 of this title, whenever practicable, utilize the services of State or local housing agencies, or other agencies having experience in the administration or conduct of similar housing assistance activities.

Sec. 4633. Duties of lead agency

• (a) General provisions

The head of the lead agency shall -

- (1) develop, publish, and issue, with the active participation of the Secretary of Housing and Urban Development and the heads of other Federal agencies responsible for funding relocation and acquisition actions, and in coordination with State and local governments, such regulations as may be necessary to carry out this chapter;
- (2) ensure that relocation assistance activities under this chapter are coordinated with low-income housing assistance programs or projects by a Federal agency or a State or State agency with Federal financial assistance;
- (3) monitor, in coordination with other Federal agencies, the implementation and enforcement of this chapter and report to the Congress, as appropriate, on any major issues or problems with respect to any policy or other provision of this chapter; and
- (4) perform such other duties as may be necessary to carry out this chapter.

• (b) Regulations and procedures

The head of the lead agency is authorized to issue such regulations and establish such procedures as he may determine to be necessary to assure -

- (1) that the payments and assistance authorized by this chapter shall be administered in a manner which is fair and reasonable and as uniform as practicable;
- (2) that a displaced person who makes proper application for a payment authorized for such person by this subchapter shall be paid promptly after a move or, in hardship cases, be paid in advance; and
- (3) that any aggrieved person may have his application reviewed by the head of the Federal agency having authority over the applicable program or project or, in the case of a program or project receiving Federal financial assistance, by the State agency having authority over such program or project or the Federal agency having authority over such program or project if there is no such State agency.

• (c) Applicability to Tennessee Valley Authority and Rural Electrification Administration

The regulations and procedures issued pursuant to this section shall apply to the Tennessee Valley Authority and the Rural Electrification Administration only with respect to relocation assistance under this subchapter and subchapter I of this chapter.

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Sec. 4634. Repealed. Pub. L. 100-17, title IV, Sec. 415, Apr. 2, 1987, 100 Stat. 255

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Sec. 4635. Planning and other preliminary expenses for additional housing

In order to encourage and facilitate the construction or rehabilitation of housing to meet the needs of displaced persons who are displaced from dwellings because of any Federal or Federal financially assisted project, the head of the Federal agency administering such project is authorized to make loans as a part of the cost of any such project, or to approve loans as a part of the cost of any such project receiving Federal financial assistance to nonprofit, limited dividend, or cooperative organizations or to public bodies, for necessary and reasonable expenses, prior to construction, for planning and obtaining federally insured mortgage financing for the rehabilitation or construction of housing for such displaced persons. Notwithstanding the preceding sentence, any other law, such loans shall be available for not to exceed 80 per centum of the reasonable costs expected to be incurred in planning, and in obtaining financing for, such housing, prior to the availability of such financing, including, but not limited to, preliminary surveys and analyses of market needs, preliminary site engineering, preliminary architectural fees, site acquisition, application and mortgage commitment fees, and construction loan fees and discounts. Loans to an organization established for profit shall bear interest at a market rate established by the head of such Federal agency. All other loans shall be without interest. Such Federal agency head shall require repayment of loans made under this section, under such terms and conditions as he may require, upon completion of the project or sooner, and except in the case of a loan to an organization established for profit, may cancel any part or all of a loan if he determines that a permanent loan to finance the rehabilitation or the construction of such housing cannot be obtained in an amount adequate for repayment of such loan. Upon repayment of any such loan, the Federal share of the sum repaid shall be credited to the account from which such loan was made, unless the Secretary of the Treasury determines that such account is no longer in existence in which case such sum shall be returned to the Treasury and credited to miscellaneous receipts.

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Sec. 4636. Payments not to be considered as income for revenue purposes or for eligibility for assistance under Social Security Act or other Federal law

No payment received under this subchapter shall be considered as income for the purposes of title 26; or for the purposes of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security Act (42 U.S.C. 301 et seq.) or any other Federal law (except for any Federal law providing low-income housing assistance).

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Sec. 4637. Repealed. Pub. L. 100-17, title IV, Sec. 415, Apr. 2, 1987, 101 Stat. 255

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Sec. 4638. Transfers of surplus property

The Administrator of General Services is authorized to transfer to a State agency for the purpose of providing replacement housing required by this subchapter, any real property surplus to the needs of the United States within the meaning of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 471 et seq.). Such transfer shall be subject to such terms and conditions as the Administrator determines necessary to protect the interests of the United States and may be made without monetary consideration, except that such State agency shall pay to the United States all net amounts received by such agency from any sale, lease, or other disposition of such property for such housing.

Sec. 4651. Uniform policy on real property acquisition practices

In order to encourage and expedite the acquisition of real property by agreements with owners, to avoid litigation and relieve congestion in the courts, to assure consistent treatment for owners in the many Federal programs, and to promote public confidence in Federal land acquisition practices, heads of Federal agencies shall, to the greatest extent practicable, be guided by the following policies:

- (1) The head of a Federal agency shall make every reasonable effort to acquire expeditiously real property by negotiation.
- (2) Real property shall be appraised before the initiation of negotiations, and the owner or his designated representative shall be given an opportunity to accompany the appraiser during his inspection of the property, except that the head of the lead agency may prescribe a procedure to waive the appraisal in cases involving the acquisition by sale or donation of property with a low fair market value.
- (3) Before the initiation of negotiations for real property, the head of the Federal agency concerned shall establish an amount which he believes to be just compensation therefor and shall make a prompt offer to acquire the property for the full amount so established. In no event shall such amount be less than the agency's approved appraisal of the fair market value of such property. Any decrease or increase in the fair market value of real property prior to the date of valuation caused by the public improvement for which such property is acquired, or by the likelihood that the property would be acquired for such improvement, other than that due to physical deterioration within the reasonable control of the owner, will be disregarded in determining the compensation for the property. The head of the Federal agency concerned shall provide the owner of real property to be acquired with a written statement of, and summary of the basis for, the amount he established as just compensation. Where appropriate the just compensation for the real property acquired and for damages to remaining real property shall be separately stated.
- (4) No owner shall be required to surrender possession of real property before the head of the Federal agency concerned pays the agreed purchase price, or deposits with the court in accordance with section 258a of title 40, for the benefit of the owner, an amount not less than the agency's approved appraisal of the fair market value of such property, or the amount of the award of compensation in the condemnation proceeding for such property.
- (5) The construction or development of a public improvement shall be so scheduled that, to the greatest extent practicable, no person lawfully occupying real property shall be required to move from a dwelling (assuming a replacement dwelling as required by subchapter II of this chapter will be available), or to move his business or farm operation, without at least ninety days' written notice from the head of the Federal agency concerned, of the date by which such move is required.
- (6) If the head of a Federal agency permits an owner or tenant to occupy the real property acquired on a rental basis for a short term or for a period subject to termination by the Government on short notice, the amount of rent required shall not exceed the fair rental value of the property to a short-term occupier.
- (7) In no event shall the head of a Federal agency either advance the time of condemnation, or defer negotiations or condemnation and the deposit of funds in court for the use of the owner, or take any other action coercive in nature, in order to compel an agreement on the price to be paid for the property.
- (8) If any interest in real property is to be acquired by exercise of the power of eminent domain, the head of the Federal agency concerned shall institute formal condemnation proceedings. No Federal agency head shall intentionally make it necessary for an owner to institute legal proceedings to prove the fact of the taking of his real property.
- (9) If the acquisition of only a portion of a property would leave the owner with an uneconomic remnant,

the head of the Federal agency concerned shall offer to acquire that remnant. For the purposes of this chapter, an uneconomic remnant is a parcel of real property in which the owner is left with an interest after the partial acquisition of the owner's property and which the head of the Federal agency concerned has determined has little or no value or utility to the owner.

- (10) A person whose real property is being acquired in accordance with this subchapter may, after the person has been fully informed of his right to receive just compensation for such property, donate such property, and part thereof, any interest therein, or any compensation paid therefor to a Federal agency, as such person shall determine.

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Sec. 4652. Buildings, structures, and improvements

- (a) Notwithstanding any other provision of law, if the head of a Federal agency acquires any interest in real property in any State, he shall acquire at least an equal interest in all buildings, structures, or other improvements located upon the real property so acquired and which he requires to be removed from such real property or which he determines will be adversely affected by the use to which such real property is to be put.
- (b)
 - (1) For the purpose of determining the just compensation to be paid for any building, structure, or other improvement required to be acquired by subsection (a) of this section, such building, structure, or other improvement shall be deemed to be a part of the real property to be acquired notwithstanding the right or obligation of a tenant, as against the owner of any other interest in the real property, to remove such building, structure, or improvement at the expiration of his term, at the fair market value which such building, structure, or improvement contributes to the fair market value of the real property to be acquired, or the fair market value of such building, structure, or improvement for removal from the real property, whichever is the greater, shall be paid to the tenant therefor.
 - (2) Payment under this subsection shall not result in duplication of any payments otherwise authorized by law. No such payment shall be made unless the owner of the land involved disclaims all interest in the improvements of the tenant. In consideration for any such payment, the tenant shall assign, transfer, and release to the United States all his right, title, and interest in and to such improvements. Nothing in this subsection shall be construed to deprive the tenant of any rights to reject payment under this subsection and to obtain payment for such property interests in accordance with applicable law, other than this subsection.

Sec. 4653. Expenses incidental to transfer of title to United States

The head of a Federal agency, as soon as practicable after the date of payment of the purchase price or the date of deposit in court of funds to satisfy the award of compensation in a condemnation proceeding to acquire real property, whichever is the earlier, shall reimburse the owner, to the extent the head of such agency deems fair and reasonable, for expenses he necessarily incurred for -

- (1) recording fees, transfer taxes, and similar expenses incidental to conveying such real property to the United States;
- (2) penalty costs for prepayment of any preexisting recorded mortgage entered into in good faith encumbering such real property; and
- (3) the pro rata portion of real property taxes paid which are allocable to a period subsequent to the date of vesting title in the United States, or the effective date of possession of such real property by the United States, whichever is the earlier.

Sec. 4654. Litigation expenses

- (a) Judgment for owner or abandonment of proceedings
The Federal court having jurisdiction of a proceeding instituted by a Federal agency to acquire real property by condemnation shall award the owner of any right, or title to, or interest in, such real property such sum as will in the opinion of the court reimburse such owner for his reasonable costs, disbursements, and expenses, including reasonable attorney, appraisal, and engineering fees, actually incurred because of the condemnation proceedings, if -
 - (1) the final judgment is that the Federal agency cannot acquire the real property by condemnation; or
 - (2) the proceeding is abandoned by the United States.
- (b) Payment
Any award made pursuant to subsection (a) of this section shall be paid by the head of the Federal agency for whose benefit the condemnation proceedings was instituted.
- (c) Claims against United States
The court rendering a judgment for the plaintiff in a proceeding brought under section 1346(a)(2) or 1491 of title 28, awarding compensation for the taking of property by a Federal agency, or the Attorney General effecting a settlement of any such proceeding, shall determine and award or allow to such plaintiff, as a part of such judgment or settlement, such sum as will in the opinion of the court or the Attorney General reimburse such plaintiff for his reasonable costs, disbursements, and expenses, including reasonable attorney, appraisal, and engineering fees, actually incurred because of such proceeding.

Sec. 4655. Requirements for uniform land acquisition policies; payments of expenses incidental to transfer of real property to State; payment of litigation expenses in certain cases

- (a) Notwithstanding any other law, the head of a Federal agency shall not approve any program or project or any grant to, or contract or agreement with, an acquiring agency under which Federal financial assistance will be available to pay all or part of the cost of any program or project which will result in the acquisition of real property on and after January 2, 1971, unless he receives satisfactory assurances from such acquiring agency that -
 - (1) in acquiring real property it will be guided, to the greatest extent practicable under State law, by the land acquisition policies in section 4651 of this title and the provisions of section 4652 of this title, and
 - (2) property owners will be paid or reimbursed for necessary expenses as specified in sections 4653 and 4654 of this title.
- (b) For purposes of this section, the term "acquiring agency" means -
 - (1) a State agency (as defined in section 4601(3) of this title) which has the authority to acquire property by eminent domain under State law, and
 - (2) a State agency or person which does not have such authority, to the extent provided by the head of the lead agency by regulation.

