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## **Reno mayor demands local workers for resort project**

RENO, Nev. (AP) - Reno Mayor Bob Cashell said any contract for special financing to build a proposed indoor water park at Grand Sierra Resort will include a requirement that local contractors be used on the project.

The city, Cashell said, will require "teeth in the contract to hire Nevadans."

"I'm not the mayor of Tucson," he said Wednesday before the City Council unanimously approved a memorandum of understanding to begin initial studies on the water park and use of sales tax anticipated revenue bonds, or STAR bonds.

STAR bonds, passed by the state lawmakers in 2003, allows businesses that gain most of their business from visitors to finance their projects with bonds and use up to 75 percent of sales tax generated to repay them.

Use of such financing must be approved by the governor, Nevada Commission on Tourism and the local government involved.

Cashell said he's not pleased the Cabela's outdoors store has hired a general contractor from Arizona and an electrical contractor from California to build its new store in Verdi east of Reno.

The store is the first project in Nevada in line for STAR bond financing.

Cabela's is living up to its agreement with Reno to pay prevailing wages, city officials said. But they did not expect Cabela's to hire outside contractors.

Daryl Schliem, government affairs vice president for Grand Sierra Resort, later said the company has hired local companies for \$91 million in renovation work under way and is very pleased with their work.

He said bids would be put out for construction for the water park, and he is hopeful a local contractor would respond with a "fair bid" to build the shell.

Specialty equipment and components for the water park probably would be bought from out of state, he said.

In Grand Sierra's proposal, sales taxes from the water park, a proposed exotic car collection, spa and retail/restaurant area would be used to pay off STAR bonds.

These new additions would be contained in a sales tax district covering 127.8 acres of the 144-acre

property. Sales taxes from the existing hotel-casino would not be diverted.

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Information from: Reno Gazette-Journal, <http://www.rgj.com>

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