

STAFF REPORT

Date: May 8, 2024

To: Mayor and City Council

Through: Doug Thornley, City Manager

Subject: Staff Report (For Possible Action): Presentation, discussion, and potential direction to staff regarding the potential purchase of property located at 0 Clear Acre Lane (Assessor's Parcel Numbers [APNs] 004-061-20, 004-061-21, 004-061-26, 004-061-22, 004-061-28, 035-033-025, and 004-0282-18), Reno, Nevada, totaling approximately 27 acres, from the Regional Transportation Commission (RTC), for the purpose of affordable housing.

From: Monica Kirch, Director of Housing and Neighborhood Development

Department: City Manager's Office – Housing and Neighborhood Development

Summary:

The Regional Transportation Commission (RTC) currently owns 27 acres of surplus property located at 0 Clear Acre Lane, Reno, Nevada, which has been identified as an ideal location for an affordable housing project. In this collaborative effort, the City of Reno will act solely as an intermediary, facilitating the sale of the property from the RTC to the City of Reno, followed by its immediate purchase by the Northern Nevada Building and Construction Trades Council Development Corporation. The City of Reno's role is to broker the facilitation, which will enable the Northern Nevada Building and Construction Trades Council Development Corporation to acquire the property quickly. Staff is seeking approval for the City Manager or their designee to facilitate necessary appraisal(s) and negotiate an agreement to return to Council for approval.

Alignment with Strategic Plan:

Economic Opportunity, Homelessness, and Affordable Housing

Previous Council Action:

There is no recent Council action relevant to this item.

Background:

The surplus property identified as 0 Clear Acre is currently owned by the RTC. A portion of the property is being transferred to Truckee Meadows Water Authority (TMWA) and the remainder is available and ideal for development. Since affordable housing is a top priority of the Reno

City Council and Council is committed to the development of additional affordable units, a letter of interest was submitted to RTC regarding this property on September 21, 2023. Staff was also contacted by representatives of the Northern Nevada Building and Construction Trades Council Development Corporation with an interest in developing the property. Their proposed project would help move the needle with additional affordable and workforce housing units while also adding commercial space.

Discussion:

The proposed transaction involves the City acquiring the property from RTC at fair market value (FMV), followed by the immediate transfer of the property to the Northern Nevada Building and Construction Trades Council Development Corporation for development. The project will consist of over 400 affordable housing units, as well as 240 units of workforce housing. Additionally, there is an economic development aspect to this project. The Northern Nevada Building and Construction Trades Council Development Corporation will construct the housing while simultaneously providing training to workers as apprentices:

- Staff will obtain a current appraisal and return to Council to hold a public hearing to set fair market value based on the appraisal obtained pursuant to Nevada Revised Statute (NRS) 269.059.
- Staff will return to Council with a Resolution along with a Purchase and Sale Agreement between RTC and the City to purchase the 27 acres at FMV pursuant to NRS 277.050.
- Staff will return to Council with a Resolution along with a Purchase and Sale Agreement with the Developer for the purchase of the 27 acres at FMV for an economic development project for affordable housing consisting of approximately 600 units.
- All costs including the purchase price, appraisals, publication, and escrow fees will be paid for by the developer.

Financial Implications:

None. All costs will be paid by the developer, with no financial implications to the City.

Legal Implications:

Legal review completed for compliance with City procedures and Nevada law.

Recommendation:

Staff recommends Council authorize the City Manager or their designee to proceed with acquiring an appraisal and negotiating the purchase of approximately 27 acres located at 0 Clear Acre Lane from RTC for the purpose of affordable housing.

Proposed Motion:

I move to approve staff recommendation.

Attachments: