

July 26, 2024

Dear Respondent,

Thank you for your interest in responding to our Request for Proposal (RFP) for 315-335 Record Street. We appreciate the effort and detail in your initial submission. To proceed with a comprehensive evaluation of your proposal, we require some additional financial information.

Please provide the following details at your earliest convenience:

1. **Funding Sources:** A breakdown of the proposed funding sources for this project.
2. **Detailed Project Costs:** A breakdown of all related costs associated with your proposal.
3. **Bank References:** Contact information for banking institutions that can provide references.
4. **Any Additional Relevant Information:** Any other financial documents that you believe will support your proposal.

Please submit the requested documents by 4:00 pm PDT on 7/31/2024 to ensure that we can complete our review. If you have any questions or need further clarification, do not hesitate to contact me directly at westm@reno.gov.

Thank you for your cooperation and prompt attention to this request. We look forward to reviewing the additional information and moving forward in the selection process.



*315-335 Record Street
RFP Bid Response
Request for Additional Information*

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Baxter Construction

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Detailed Project Costs Overview:

We understand that our construction cost per unit may seem lower than other buildings currently under construction, and there are two main reasons that justify this. Firstly, our project does not include a parking structure since we are utilizing the site's existing parking, which significantly reduces overall expenses. The estimated cost of constructing a parking structure is approximately \$25,000 per parking space. By not incorporating this feature, we can allocate resources more efficiently and focus on providing high-quality housing.

Secondly, our units are designed to be smaller, specifically targeting the need for affordable housing. This results in a lower total square footage to construct, thereby reducing the cost per

unit. Our design approach aligns with the market demand for affordable units, allowing us to maintain affordability while still offering comfortable living spaces.

As a result, our estimated cost per unit for construction is \$293,000 per door, which is comparable to the Reno market average of \$310,000 per door when accounting for the cost of parking. We believe that this approach balances quality and affordability, ensuring that we can deliver a viable and sustainable project that meets the needs of the community.

We are committed to improving the neighborhood by providing high-quality, housing that specifically targets the needs of service industry employees and those working in the growing industrial park at TRIC (Tahoe-Reno Industrial Center). Our focus is on addressing the “missing middle”—individuals and families who earn too much to qualify for government-assisted housing but still struggle to find affordable options in the current market.

By offering a mix of units at market rates tailored to the income levels of these workers, and a % at affordable rates, we aim to create a vibrant and diverse community that supports the local economy. Our approach does not rely on government assistance but instead focuses on delivering sustainable housing solutions that meet the real needs of the area’s workforce. This not only helps to retain and attract valuable employees to the region but also contributes to the overall revitalization and growth of the neighborhood.

Our project is designed to enhance the quality of life for residents while fostering a sense of community and inclusivity. By providing accessible and affordable housing options, we are helping to build a more resilient and dynamic neighborhood that supports the well-being and prosperity of all its members.



July 31, 2024

City of Reno
Reno, NV

To Whom It May Concern,

As a lender who has worked closely with Baxter Construction Company over the past 4 years, I have been consistently impressed with their professionalism, quality of work, and dedication to their projects.

Throughout our association, Baxter has demonstrated exceptional financial responsibility and integrity. Their project management and execution have always adhered to the highest standards, resulting in timely completion and a quality product. Their ability to manage resources effectively and maintain clear, transparent communication has facilitated a smooth and reliable partnership.

One of the most notable projects we financed with Baxter Construction Company as the General Contractor was a \$49.5 million senior living community. This project required meticulous planning, extensive coordination, and robust problem-solving skills, all of which Baxter handled skillfully. The outcome was a testament to their expertise and commitment to excellence.

Our relationship has been extremely successful, and Pinnacle Bank looks forward to future opportunities to work with Baxter. Please feel free to contact me at (402) 697-5942 or chris.conrad@pinnbank.com if you have any further questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Conrad", is written over a light blue horizontal line.

Chris Conrad
Market President – Pinnacle Bank Omaha



CONNECTION
BANK
We've got this.

July 29, 2024

City of Reno
Reno, NV

To Whom It May Concern,

It is with great pleasure that I write this letter of recommendation for Baxter Construction Company. Our lending relationship has supported multiple projects over the past several years, and I have consistently been impressed with their dedication to quality and customer satisfaction.

Baxter Companies is highly committed to identifying and addressing challenges proactively. Their dedication to delivering high-quality products and services has resulted in a strong and loyal customer base. Their approach ensures that every project meets the highest standards of excellence.

Moreover, Baxter Companies has maintained transparent and effective communication with us throughout our partnership. Their professionalism and openness have fostered a trusting and collaborative relationship, which has been instrumental in the successful financing of multiple projects and initiatives.

Their strong reputation in the industry is well-deserved, and their track record speaks volumes about their capability and reliability. I am confident that Baxter Companies will continue to deliver outstanding results, and Connection Bank would be honored to partner with them in future endeavors.

Please feel free to contact me at (319) 372-5164 or Matt.Morris@myconnectionbank.com if you have any further questions.

Sincerely,

Matt Morris, President - CEO
Connection Bank