

# CITY OF RENO REDEVELOPMENT AGENCY

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## Participation Programs and Processes



August 2024

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## Executive Summary

The Reno Redevelopment Agency (“Agency”) is the redevelopment-focused organization within the City of Reno (“City” or “Reno”) that promotes increased commerce, private investment, livability, optimal land use, and increased property value in redevelopment areas in the City. The Agency does so by leveraging tax-based financial incentives to provide funding for small property improvements and to enable and incentivize private investment in large-scale projects as they are needed. The abilities of the Agency, outside of state-level legal restrictions, are outlined in and guided by the Reno Redevelopment Plan (“Redevelopment Plan”).

The Redevelopment Plan, as amended, authorizes the Agency to use project financing to support the goals of the Redevelopment Plan. Specifically, Section H.8 authorizes the Agency “to investigate financing of multi-use facilities in the Area; develop internal parameters and guidelines for investment by the Agency in public-private partnerships, including ratios based on the value to the City with regard to provision of jobs and tax base, the achievement of the goals of the Redevelopment Plan, and the credibility of the developer based upon the quality of past work and quality of credit, and the provision of ‘must see’ attractions which could assist in the attractiveness of the Area as a whole.”

The Agency seeks to partner with existing property owners, prospective developers, and prospective investors that will make a meaningful private investment in Reno’s urban renewal.





## Enabling Legislation

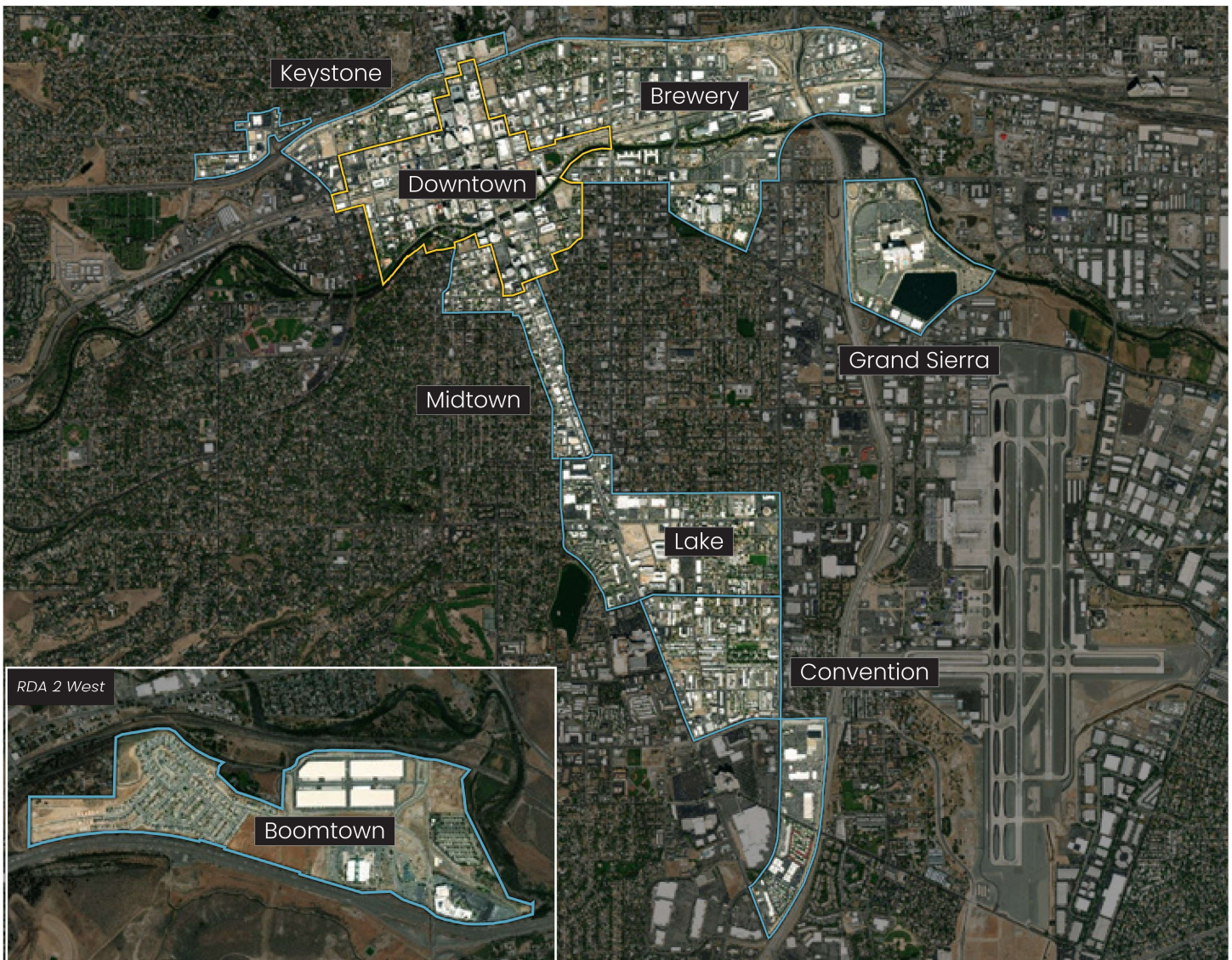
The Nevada State Legislature enacted the Community Redevelopment Law in 1959, codified in the Nevada Revised Statutes ("NRS") Chapter 279. RDA 1 is denoted by the Washoe County Treasurer as tax district 1001. RDA2 is denoted as tax districts 1002 and 1831.

## Eligible Redevelopment Areas

To be eligible for tax increment financing assistance, a project must be located within one of Reno's two redevelopment areas, Redevelopment Area 1 ("RDA 1") or Redevelopment Area 2 ("RDA 2"). RDA 1 is denoted by the Washoe County Treasurer as Tax District 1001. RDA 2 is denoted as Tax District 1002 and 1831. Before completing and submitting this application, please verify that the property seeking assistance is located within one of these two tax districts by visiting the Washoe County Assessor's Office website at: <https://gis.washoecounty.us/>. You can also verify your tax district by looking at your current property tax bill.

## Reno Redevelopment Area Planning Districts

For setting urban planning goals that are most appropriate for each neighborhood, the Agency has organized RDA 1 and RDA 2 into eight districts. This distinction between neighborhood areas allows the Agency to focus on the unique characteristics and needs of each district as described in the Redevelopment Agency Status Report. The eight districts are as follows:





## Program Participant Eligibility Requirements

The Agency has established a strict set of eligibility requirements and criteria to make clear and transparent how interested property owners, developers, and investors, also known as Program Participants (“Participants”), can take part in Agency programs. These requirements and criteria are based on redevelopment requirements and guidelines set forth in the state law.

### Threshold Eligibility Requirements

In order to be eligible, a Participant must meet all of the following requirements:

**Area Benefit:** *Participants must demonstrate that the proposed project or investment will provide a significant benefit to the overall redevelopment area and the surrounding neighborhood.<sup>1</sup>*

**“But For” Test :** *Participants must demonstrate that there are no other reasonable means of financing available to fully fund the proposed project. This requirement is commonly referred to as the “but for” test, meaning that, but for the Agency’s funding, the Participant would not be able to fully fund and complete the project.<sup>2</sup>*

**Prevailing Wages:** *Nevada prevailing wage rates are required to be paid for any Agency funding or assistance that is equal to or more than \$100,000.<sup>3</sup>*

**Employment Plan:** *Participants should submit an employment plan describing any existing employment opportunities in the area, new employment opportunities generated by the proposed project, and new employment opportunities for persons residing in the area that are economically disadvantaged, have any disability, are members of racial minorities, are veterans, or are women.<sup>4</sup>*

**Public Bidding:** *Any work directly undertaken and contracted by the Agency for grading, clearing, demolition, or construction in excess of \$10,000 must be done by contract after competitive bids.<sup>5</sup>*

<sup>1</sup>Note: For further information, see NRS 279.486(3)(a).

<sup>2</sup>Note: For further information, see NRS 279.486(3)(b).

<sup>3</sup>Note: For further information, see NRS 279.500.

<sup>4</sup>Note: For further information, see NRS 279.482.

<sup>5</sup>Note: For further information, see NRS 279.498.

### General Program Eligibility Criteria

All Participants are expected to meet the following general program eligibility criteria and provide proof that these criteria are met as part of the Participation Program General Application (“Application”).

**Criteria 1:** *The property must be located within a redevelopment area.*

**Criteria 2:** *The property must be currently zoned, or be eligible to be rezoned, for the intended purposes.*

**Criteria 3:** *The Participant must be current with all state and local fees and business license fees.*

**Criteria 4:** *The Participant and contractors of the Participant must be properly licensed.*

**Criteria 5:** *Properties may be vacant or, if occupied, must be underutilized.*

**Criteria 6:** *Properties on which new construction has commenced but has stalled, as defined by inactivity on an issued construction permit for 6 months or longer, will be deemed eligible.*

**Criteria 7:** *The Participant must not have any felony convictions, unresolved felony indictments, or current bankruptcy judgments.*

### Ineligible Projects or Properties

In addition to the above requirements and criteria for Participants and projects, the Agency will not award funds to a project that contains a sexually oriented business as defined by Reno Municipal Code.

## Eligibility Requirements by Participation Program

The Agency offers five Participation Programs (“Programs”) to encourage property owners and developers to make investments in redevelopment area properties that will support the goals of the Redevelopment Plan. The five Programs are designed to meet the current focused redevelopment goals of the Agency.

### Participation Programs

1. Building Façade and Tenant Improvement Program
2. Tax Increment Financing (“TIF”) Assistance Program
3. Catalyst Project Assistance Program
4. Capital Improvement Project (“CIP”) Assistance Program
5. Property Disposition Program

Applicable Threshold Eligibility Requirements by Participation Program:

Requirement	Façade/ Tenant Project	TIF Assistance Project	Catalyst Project	CIP Project	Property Disposition
<b>Area Benefit</b>	Yes	Yes	Yes	Yes	Yes
<b>“But For” Test</b>	Yes	Yes	Yes	Yes	Yes
<b>Prevailing Wages</b>	No	Yes	Yes	Yes	Yes
<b>Employment Plan</b>	Yes	Yes	Yes	Yes	Yes
<b>Public Bidding</b>	No	No	No	Yes	No



# Participation Programs: Guidelines and Instructions

## Building Façade and Tenant Improvement Program

### Purpose

The goal of this program is to encourage property owners to make visible improvements to the exterior of commercial buildings and storefront properties to modernize and improve the general aesthetic of the surrounding area. This program is focused on supporting improvements for commercial properties with insufficient revenue or private funding for external visual improvements and creating appealing commercial and mixed-use corridors in urban areas to encourage private investment in similar projects on nearby properties. Examples include investment in new roofing, siding, or awnings; new permanent signage; new paint; new or improved perimeter landscaping visible from a city street; improved sidewalks; and public art visible from a city street.

### Program Eligibility Requirements

To be eligible, Participants must meet the following program requirements:

**Before and After Renderings:** *Property owner must submit before photos of the existing condition of the property and renderings or schematic designs of the planned improvements. Renderings or schematic designs may be completed by an architect, engineer, or licensed contractor (sign contractor, general contractor, etc.).*

**1:1 Match Requirement:** *For every dollar contributed by the Agency, the Participant must provide a 1:1 match. For example, a \$50,000 signage project would be eligible for \$25,000 in Agency funds provided that the Participant contributes \$25,000 in private funds. Government grants (whether federal, state, or local) will not be counted toward the Participant's portion of this match requirement. In-kind or philanthropic donations, such as volunteer labor and donated materials, may be counted toward the match requirement up to a maximum of \$5,000 and on a case-by-case basis.*

**Covenant to Maintain Improvements:** *The Participant and property owner are required to maintain the improvements for a minimum of five years following project completion. This requirement will be satisfied by a restrictive covenant placed against the property and an annual inspection to ensure that the improvements are being maintained.*

**Threshold Requirements:** *The Participant will satisfy all applicable Threshold Eligibility Requirements by submitting a completed Participation Program General Application with all required exhibits.*

**General Program Requirements:** *The Participant will satisfy all General Program Eligibility Criteria.*

### Evaluation Criteria

1. Applications will be reviewed on a first-come, first-served basis. The Agency will set a budget line item each fiscal year to allocate funds for the program. Once funds for the fiscal year are exhausted, the Agency will notify the public on its website that the program is closed until the following fiscal year (starting on July 1).
2. Preference may be given to projects that demonstrate the maximum exterior improvement to the property. The external improvements should be clearly visible, consistent with all City of Reno planning guidelines, and improve the overall aesthetic of the surrounding neighborhood.

## Eligible Expenses

The Agency will provide reimbursement for eligible program expenses in the form of a grant. Eligible expenses include any soft costs or hard costs for the following expenses:

1. Roofing
2. Exterior finishes, including siding, awnings, doors and windows
3. Signage if such signage meets City design standards, including backlighting and illumination
4. Exterior and perimeter lighting
5. Landscaping, including on-site and off-site
6. Streetscape expenses such as sidewalks, driveways, curbs, and gutters

### Agency Funding Awards and Timing

<b>Building Façade Improvement Only:</b>	Maximum Grant Award of \$50,000; 1:1 match required.
<b>Tenant Improvement Only:</b>	Maximum Grant Award of \$50,000; 1:1 match required.
<b>Public Realm and Streetscape Improvement:</b>	Maximum Grant Award of \$200,000; 1:1 match required.
<b>Historic Property Bonus:</b>	An Additional \$25,000; 1:1 match required.

The Agency will provide a grant commitment to successful applicants. All grant funds will be paid to Participants on a reimbursement basis only after a final certificate of occupancy, or certificate of completion, is issued by the City of Reno.

Each grant award is subject to the maximum amounts above. Projects that are on the National Register of Historic Places or the Nevada State Register of Historic Places are eligible for a \$25,000 bonus, or a maximum grant award of \$75,000 (Building Façade or Tenant Improvement Only) to \$225,000 (Public Realm and Streetscape). The 1:1 match requirement still applies. For example, a property on the Nevada State Register of Historic Places seeking to improve the building exterior and streetscape or landscaping would need to contribute \$225,000 in matching private funds to be eligible for the maximum grant award of \$225,000.

All interior improvement expenses, such as a building retrofit, HVAC, electrical, and plumbing, are ineligible program expenses and as such will not be considered as matching funds.



## Tax Increment Financing Assistance Program

### Purpose

The goal of this program is to encourage private property owners, developers, and investors to make substantial improvements either in the form of new construction or in the form of major renovations. The program has been designed to offer maximum flexibility and provides funding for any private or public improvement undertaken by the property owner or developer as a Participant. The funds can be used for soft costs (design, engineering, plan review fees, building plan fees, landscaping) or hard construction costs (materials, labor, general conditions). The funds cannot be used for property acquisition costs, demolition costs, land holding costs, or general overhead costs.

This program provides project-based tax increment financing. This means that the program provides a share of the property tax increment in the form of a promissory note to the Participant. The value of the promissory note is determined by the difference between the existing value of the property at the time of application ("base value") and the value of the property after completion of the project ("improved value"). The difference between the improved value and the base value is the tax increment value. This tax increment value is then used to calculate the new property taxes generated by the project ("tax increment"). A portion of the tax increment is pledged or promised to the Participant. Below is an example of how this portion is determined:

<b>Base Taxable Value of Property</b>	\$10,000,000
<b>X Ratio of Assessed Value to Taxable Value</b>	0.35
<b>Base Assessed Value of Property</b>	<b>\$3,500,000</b>
<b>Base Taxable Value of Property</b>	\$10,000,000
<b>+ Taxable Value of Project (Tax Increment Taxable Value)</b>	\$20,000,000
<b>Improved Taxable Value of Property</b>	<b>\$30,000,000</b>
<b>Tax Increment Taxable Value</b>	\$20,000,000
<b>X Ratio of Assessed Value to Taxable Value</b>	0.35
<b>Tax Increment Assessed Value</b>	<b>\$7,000,000</b>
<b>X Tax Rate - District 100<sup>1</sup></b>	\$2.89
<b>Tax Increment</b>	<b>\$202,636</b>
<b>X Participant Portion of Tax Increment</b>	50.0%
<b>Participant Share of Tax Increment</b>	<b>\$101,318</b>
<b>X Length of Project Term (in years)</b>	10
<b>Total Tax Increment Financing Provided to Participant<sup>2</sup></b>	<b>\$1,013,180</b>

<sup>1</sup>Note: Tax rate shown as dollars per \$100 of assessed value.

<sup>2</sup>Note: Total tax increment is shown in current dollars at time of base value establishment and project inception.

### Program Eligibility Requirements

To be eligible for the TIF Assistance Program, Participants must meet the following program requirements:

**Minimum Project Cost:** Each project must have a minimum taxable value, as determined by appraisal of the completed project, of \$2,000,000.

**Site Control:** Participants must have a majority interest in the fee simple ownership (or an equivalent such as a long-term ground lease of 30 years or longer) of the land being developed.

**Commercial Projects Only:** The proposed project may be any commercial project including, but not limited to, office, industrial, hotel, mixed-use, multi-family residential, or specialty use. Single-family residential projects are not eligible.

**Nonprofit Exclusion:** Properties that will be owned by nonprofit organizations are not eligible, given that the resulting improvements may be tax-exempt and therefore not generate any new tax increment to be pledged to the project.

**Minimum Floor Area Ratio Requirement:** Floor area ratio is the relationship between a building's total useable floor area and the total area of the lot on which it stands. A minimum floor area ratio of 1.0 is required to be eligible for this program. Preference may be given to projects with a floor area ratio of 2.0 or higher.

**Before and After Renderings:** Property owner must submit before photos of the existing condition of the property and renderings or schematic designs of the improvements. Renderings or schematic designs may be completed by an architect, engineer, or licensed contractor such as a sign contractor or general contractor.

**Covenant to Maintain Improvements:** The Participant and property owner are required to maintain the improvements for a minimum of five years following project completion. This requirement will be satisfied by a restrictive covenant placed against the property and an annual inspection to ensure that the improvements are being maintained.

**Threshold Requirements:** The Participant will satisfy all applicable Threshold Eligibility Requirements by submitting a complete Participation Program General Application with all required exhibits.

**General Program Requirements:** The Participant will satisfy all General Program Eligibility Criteria.

## Evaluation Criteria

1. Each project will be evaluated against the scoring rubrics and evaluation factors specified in the **Agency Evaluation of Participation Program General Applications** section of this report. Each project will be evaluated for both project viability and area benefit and receive a score against a maximum possible score of 200.
2. Projects will be eligible for TIF revenue reimbursement based on the total score of the project as evaluated in the **Agency Evaluation of Participation Program General Applications** section of this report. Projects with the highest area benefit scores may be given preference for funding award. Projects that receive a combined area benefit and project viability score of less than 150 points will not be considered for TIF funding.

## Agency Funding Awards and Timing

The Agency developed a simple Agency TIF Share Matrix to encourage Participants to maximize the amount of private investment in proposed new projects.

Agency TIF Share Matrix			
	\$2 Million to \$5 Million	\$5 Million to \$20 Million	\$20 Million or greater
Term of TIF Share <sup>1</sup>	3 years	5 years	10 years

<sup>1</sup>Note: Term of TIF share may be reduced due to expiration date of each respective redevelopment project area.

The Agency will contract with successful projects through an Owner Participation Agreement and TIF Promissory Note. The TIF Promissory Note will contain all financial elements of the funding award, including the term of the award (3 years, 5 years, or 10 years) and the annual amount of the TIF Note.

The Owner Participation Agreement is subject to review and approval by the Reno City Council. Participants should complete their Participation Program General Application as early as possible in the process of project planning and predevelopment and must complete it before building permits are issued. Applications received for projects that have already been issued a building permit may be rejected at the Agency's sole discretion. The Participant will be issued the relevant TIF Promissory

Note upon completion of the project, as evidenced by a Certificate of Completion. The Agency's payment of the TIF Promissory Note will be subordinate to any outstanding indebtedness of the Agency, and repayment of the note will be limited to the specified share of property tax increment revenue actually received by the Agency.

The Agency's tax increment revenue pledge will be limited to the expiration date of the redevelopment area the project is located in. For projects completed less than two years prior to the redevelopment area expiration date, or for projects with particularly high benefit to the surrounding neighborhood, the Agency may consider accelerated TIF Promissory Note payments. Accelerated payments will be assessed based on the needs and merits of each application.



## Catalyst Project Assistance Program

### Purpose

This program supports large-scale development projects that will serve as anchor properties or projects that are transformative for the district in which they are located. These projects should create significant public or semi-public space and value for nearby businesses to drive traffic to the district, promoting commerce in the surrounding community. The goal of this program is to offer special financing assistance to Participants that commit to make a catalytic investment in the Redevelopment Area. Catalyst projects tend to have one or more of the following features:

**Placemaking or adaptive reuse project**, creating a unique public space in a largely urban area.

*Examples include the High Line in Manhattan; St. Pete Pier located along the St. Petersburg downtown waterfront; Denver Union Station; and the Grove Plaza in Boise.*

**Dense mixed-use housing development**, increasing downtown development density and encouraging street-level pedestrian activity.

*Examples include Playa Vista in Los Angeles; Symphony Park in Las Vegas; Riverfront Park in Denver; and Nashville Yards in Nashville.*

**Anchor corporate headquarters campus**, serving as a catalyst to attract other employers to the area.

*Examples include Amazon in South Lake Union District*

*of Seattle; Toyota Headquarters in San Antonio; and the Comcast Innovation and Technology Center in Philadelphia.*

**Destination or experiential retail**, attracting a mix of daytime and nighttime activity in the area, with a focus on open or civic space.

*Examples include: Klyde Warren Park in Dallas; Avalon in Alpharetta, Georgia; and Downtown Summerlin in Las Vegas.*

**Anchor investment**, such as a museum, university, medical campus, or other venue.

*Examples include the Guggenheim Museum in Bilbao, Spain; and the Cleveland Innovation District anchored by the Cleveland Clinic.*

As Reno matures as a city and as a community, the Agency recognizes the need to have special financing to attract large-scale urban development to Reno's Redevelopment Areas. This program offers Area-wide financing, which means that the Agency will draw upon the Agency's tax increment revenues generated across the entire Redevelopment Area to support catalyst projects. The Agency will consider debt instruments for projects of \$50 million in capital investment or greater that meet one or more of the purposes above and also meet the program eligibility requirements outlined below.

### Program Eligibility Requirements

To be eligible for the Catalyst Project Assistance Program, Participants must meet the following program requirements:

**Eligible Project Types:** The project must meet the general description of one or more of the five project features above.

*or placemaking elements; and environmental sustainability.*

**Minimum Project Size:** The project must make a minimum capital investment, inclusive of land cost, soft costs, and hard construction costs, equal to or greater than \$50 million.

**Before and After Renderings:** Property owner must submit before photos of the existing condition of the property and renderings or schematic designs of the improvements. Renderings or schematic designs may be completed by an architect, engineer, or licensed contractor such as a sign contractor or general contractor.

**Developer Track Record:** The Participant must have a demonstrated track record of project success and must have completed at least one catalyst project within the past 10 years.

**Third-Party Market Study:** The Participant must provide a third-party market study demonstrating the overall economic feasibility in the project. Participants are encouraged to use either Nevada-based firms or firms with experience in evaluating the Nevada real estate market.

**Urban Design Elements:** The project must incorporate best practice urban design features that include one or more of the following: walkability; inclusion of open/civic green space; mixed-use design to encourage daytime, evening, and weekend activities; multi-modal transportation options; iconic architecture

**Commitment to Maintain Ownership:** *The Participant must provide a plan describing the developer's plan for ownership over the initial 10 years of operation. If the developer plans an "exit" within the first 10 years of operation, then a plan must be provided that addresses the planned exit and the intended purchaser type.*

**Covenant to Maintain Improvements:** *The Participant and property owner are required to maintain the improvements for a minimum of five years following project completion. This requirement will be satisfied*

*by a restrictive covenant placed against the property and an annual inspection to ensure that the improvements are being maintained.*

**Threshold Requirements:** *The Participant will satisfy all applicable Threshold Eligibility Requirements by submitting a complete Participation Program General Application with all required exhibits.*

**General Program Requirements:** *The Participant will satisfy all General Program Eligibility Criteria.*

## Evaluation Criteria

Each project will be evaluated against two criteria, project viability and area benefit, as detailed in the Participation Program Evaluation Criteria specified in the **Agency Evaluation of Participation Program General Applications** section of this report.

The application process for the Catalyst Project Assistance Program will adhere to the following steps:

1. The Participant will schedule and attend a mandatory pre-application meeting with Agency staff prior to Application submission.
2. The Participant will submit a complete Participation Program General Application.
3. Agency staff will conduct an extensive review of the Application and all required items. The Agency may use a third-party advisory firm to assist with the financial analysis of the project.
4. The Participant will schedule at least one community meeting to solicit community input on the project and its potential benefit for the Redevelopment Area and for Reno as a whole. The Agency, at its discretion, may consider attending a Redevelopment Agency Advisory Board as meeting this requirement.
5. Projects that receive a minimum score of 150 points or higher will be forwarded to the Agency Board of Directors for review.
6. Projects receiving a "Proceed" approval vote from the Agency Board of Directors will proceed to a negotiated agreement process.
7. Agency staff will prepare a negotiated agreement that outlines the terms and conditions of Agency funding.

Applicants for the Catalyst Project Assistance Program are highly encouraged to contact Agency staff as early as possible in the process of project planning and predevelopment.

## Capital Improvement Project Assistance Program

### Purpose

The goal of this program is to coordinate capital improvement projects initiated by the Agency and the City of Reno in the Redevelopment Areas. Projects undertaken through this Program must be consistent with the Agency's current focused redevelopment goals outlined in the Agency's Redevelopment Agency Status Report. The Agency Board of Directors retains full discretion to determine which projects are prioritized for funding.

### Program Eligibility Requirements

This program is reserved for the Agency, the City of Reno (internal departments such as the Reno Public Works Department or the Reno Parks and Recreation Department), and affiliates of the City of Reno (such as the Reno-Sparks Convention and Visitors Authority, the Regional Transportation Commission of Washoe County, and One Truckee River) to submit applications for new capital projects. Private Participants are not eligible for this program, however, private property owners are encouraged to meet with Agency staff to suggest potential projects that may benefit the Redevelopment Area and the district in which they are located.

Examples of projects meeting this requirement include, but are not limited to, a transit-oriented development that is not financially viable without Agency assistance or a public parking garage that is not financially viable without Agency assistance.

### Evaluation Criteria

The Agency, the City of Reno, and City of Reno affiliates are eligible to apply. The application period will open on October 1 of each year and close on March 1 of each year to assist the Agency in preparing its annual budget.

The Participant must hold a minimum of one public meeting prior to the approval of any Application submitted pursuant to this program.

Participants must demonstrate that there are no other reasonable means of financing available to fully fund the project. Agency funds should not be used to supplant funds otherwise available to the Participant.

### Agency Funding Awards and Timing

Each Agency award under this program is only approved once a funding agreement is finalized by Agency staff and approved by the Agency Board of Directors.



## Property Disposition Program

### Purpose

The purpose of this Program is to encourage private participation in the redevelopment of properties within a redevelopment area acquired by the Agency to promote new infill development. In accordance with NRS 279.470, the Agency acquires property within its Redevelopment Areas for the purpose of assembling development sites for future infill development, and for clearing buildings, structures, or other improvements to facilitate redevelopment. This program outlines the process by which the Agency will sell, lease, or dispose of real property.

### Program Eligibility Requirements

At its sole and full discretion, the Agency will use one of the following sale, lease, or disposition methods when deciding to sell or lease real property.

**Ground Lease:** *The Agency may offer to ground lease real property to a private party on a negotiated basis and will follow the process outlined in NRS 268.063.*

**Sale:** *The Agency may offer to sell real property to a private party on a negotiated basis and will follow the process outlined in NRS 268.063.*

**Lease to Eligible Nonprofits:** *For lease of property to Nevada nonprofit corporations that are tax-exempt under 501(c)(3) of the Internal Revenue Code the Agency shall follow the process outlined in NRS 268.053.*

**Sales to Certain Nonprofits:** *For sale of property to Nevada nonprofit corporations that are tax-exempt under 501(c)(3) of the Internal Revenue Code the Agency shall follow the process outlined in NRS 268.055.*

**Public Auction:** *In certain instances where and when a negotiated sale is not in the best interest of the community, the Agency may elect to conduct an auction to sell real property. For a sale by public auction, the Agency shall follow the process outlined in NRS 268.062.*

To be eligible for the Property Disposition Program, Participants must meet the following program requirements:

**Commercial Projects Only:** *The proposed project may be any commercial project including, but not limited to, office industrial, hotel, mixed-use, multi-family residential, or specialty use. Single-family residential projects are not eligible. A specified use may be indicated as a requirement for any lease or sale pursuant to this program.*

**Before and After Renderings:** *Property owner must submit before photos of the existing condition of the property and renderings or schematic designs of the improvements. Renderings or schematic designs may be completed by an architect, engineer, or licensed contractor such as a sign contractor or general contractor.*

**Company Registered to do Business in Nevada and in Reno:** *All Participants pursuant to this section must be a company registered to do business in the State of Nevada and in the City of Reno. Further, all sales and leases pursuant to this program will be based on the NRS.*

**Agent/Broker Acknowledgment:** *Participants must agree and acknowledge that any real estate broker or agency representing the buyer/lessee, and any fees or commissions associated with that representation, are obligations of the buyer/lessee. The Agency will not pay buyer/lessee broker commissions.*

**As-Is Sale/Lease:** *Unless otherwise expressly stated, all sales and leases will be on an "as-is" basis. Buyers and lessees should conduct their own due diligence with respect to land-use and zoning, environmental status, geotechnical and seismic status, and other existing conditions.*

**Threshold Requirements:** *The Participant will satisfy all applicable Threshold Eligibility Requirements by submitting a complete Participation Program General Application with all required exhibits.*

**General Program Requirements:** *The Participant will satisfy all General Program Eligibility Criteria.*

### Evaluation Criteria

Specific evaluation criteria will be stated in the sale, lease, or auction documents.

### Agency Funding Awards and Timing

The final award of any sale or lease is subject to review and approval by the Agency Board of Directors.

# Agency Evaluation of Participation Program General Applications

Except for the Building Façade and Tenant Improvement Program, the Agency will score each proposed project as follows:

- The project will be evaluated by Agency staff for project viability.
- The project will be evaluated by Agency staff for area benefit.

The purpose of the Agency staff evaluation is to ensure that all projects submitted to the Agency Board of Directors and the Reno City Council have been properly vetted by both staff and the community.

## Project Viability

### 100 Point Maximum

The Agency will evaluate the viability of the project using the Project Viability Scoring Rubric to assess the likelihood of the project's success based on the characteristics and performance history of the project itself, the developer, the Participant, and other relevant shareholders.

Project Viability Scoring Rubric		
Evaluation Factor	Maximum Factor Score	Weight
1 Developer Performance History	40	40%
2 Developer Financial Capacity	20	20%
3 Project Vision and Placemaking Features	20	20%
4 Market Study	20	20%
TOTAL PROJECT VIABILITY MAXIMUM SCORE		100

- **Developer Performance History** evaluates the history of the developer's performance, particularly on projects that are similar in type, scale, and location to the proposed project. The developer should demonstrate any and all experience with starting, completing, owning, and operating projects of similar scale and quality.
- **Developer Financial Capacity** evaluates the ability of the developer to complete the project, including income projections, current capital, and liquidity. The developer should demonstrate the financial capacity to complete the project.
- **Project Vision and Placemaking Features** evaluates the competency and practicality of the project

as proposed and the extent to which the project creates a new, or augments the existing, sense of place in the neighborhood and the Redevelopment Area overall. The developer should clearly define the project's vision and explain how the design will create a sense of place and, through its design, help attract daytime, evening, and weekend visitation.

- **Market Study** evaluates the competency and practicality of the project through the lens of a third-party market study. The developer's third-party market study should demonstrate the overall viability of the project, evaluating both the intended use, competitive market positioning, and regional market for the proposed use.

The Agency will score the above items based on the information in the Participation Program General Application submitted in accordance with the instructions in the Participation Program General Application Instructions section below.



## Area Benefit

### 100 Point Maximum

The Agency will evaluate the project's area benefit using the Area Benefit Scoring Rubric. Each project will be evaluated against the Area Benefit Scoring Rubric to assess the benefit of the project to the overall Redevelopment Area and the surrounding community.

Area Benefit Scoring Rubric			
Evaluation Factor	Maximum Factor Score	Weight	NRS Reference
<b>1 Catalyst Impact</b>	10	10%	NRS 279.486(4)(a)(1)
<b>2 Job Impact</b>	5	5%	NRS 279.486(4)(a)(2)
<b>3 Revenue Impact</b>	5	5%	NRS 279.486(4)(a)(3)
<b>4 Density and Activity Impact<sup>1</sup></b>	10	10%	NRS 279.486(4)(a)(4)
Floor Area Ratio, 2.0 or greater	5		
Ground-Floor Retail Activation, 70% street face	5		
<b>5 Placemaking</b>	10	10%	NRS 279.486(4)(a)(5)
<b>6 Construction Labor</b>	5	5%	NRS 279.486(4)(a)(6)
<b>7 Social Benefits</b>	5	5%	NRS 279.486(4)(a)(7)
<b>8 Community Input<sup>2</sup></b>	25	25%	NRS 279.486(4)(b)
One Community Meeting	10		
Two Community Meetings	20		
Three or More Community Meetings	25		
<b>9 Agency Fiscal Benefit<sup>2</sup></b>	25	25%	NRS 279.486(4)(c)
20-year fiscal benefit up to \$750,000	10		
20-year fiscal benefit greater than \$750,000, up to \$2,000,000	15		
20-year fiscal benefit greater than \$2,000,000	25		
<b>TOTAL AREA BENEFIT MAXIMUM SCORE</b>	<b>100</b>		

<sup>1</sup>Total score for this evaluation factor if the sum of all sub-factors.

<sup>2</sup>Total score for this evaluation factor is the individual sub-factor that aligns with Participant actions and project impact.

**Catalyst Impact** evaluates the extent to which a project encourages the creation of new business or other development appropriate for the neighborhood. Catalyst projects typically involve having an anchor use to help attract other business investment to the area.

**Job Impact** evaluates the quality and quantity of jobs the project will generate upon completion. Projects will be evaluated based on the proposed use. For instance, office projects will require more permanent jobs than mixed-use residential projects.

**Revenue Impact** measures the overall revenue generated by the project. The Agency shall conduct a 20-year pro forma analysis for projects to evaluate the revenue generated by a new project.

**Density and Activity Impact** evaluates the overall impact an increase in density will have on the area. Projects with a higher floor area ratio will bring more activity to the area. Projects with a high level of street activity will increase activity in the area.

Projects achieving a floor area ratio of 2.0 or higher will receive maximum points for Density Impact.

Projects achieving 70% ground floor retail coverage, as measured by lined feet of street-facing façades, receive maximum points for Activity Impact.

**Placemaking** evaluates the extent to which the project creates a new, or augments the existing, sense of place in the neighborhood and the Redevelopment Area overall.



**Construction Labor** evaluates the quality and quantity of building trades employed by the project.

**Social Benefits** evaluates the unique social benefits the project may bring to the neighborhood.

**Community Input** evaluates the level of community input sought by the Participant for the project being evaluated and the availability of opportunities for

community stakeholders to gather key information on the project and express concerns related to the project prior to the start of construction.

**Agency Fiscal Benefit** evaluates the 20-year fiscal benefit of the project to the Agency. Projects will be scored according to the amount of fiscal benefit to the Agency as indicated in the above table.

## Project Scoring

The total maximum score a project may receive is 200 points: 100 points for project viability and 100 points for area benefit.

Projects receiving a combined minimum score of 150 points will be given preference to be presented to the Agency Board of Directors for funding consideration. Projects receiving a score below 150 points will receive written feedback from Agency staff on where such projects and Applications could be strengthened to warrant additional consideration.

## Agency Funding Awards and Timing

The Agency will offer funding in the form of debt financing, tax increment financing, or cash assistance. Debt financing will only be offered if the necessary tax increment revenues are generated by the project in an amount sufficient to cover any debt service payments as determined by Agency staff.

The Agency may issue debt instruments for multiple projects under a single debt issuance to meet the needs of the Agency. The repayment period and terms of any indebtedness issued by the Agency will be limited to the expiration date of each respective redevelopment project area.<sup>1</sup>

The Agency will require a minimum amount of private participation at a ratio of 8:1, meaning that for every dollar of Agency funds provided, the Participant will provide eight dollars of private funding. For example, a \$90 million project would be eligible for up to \$10 million in Agency funding.

<sup>1</sup>As of July 2024, RDA 1 is set to expire in 2043 and RDA 2 is set to expire in 2035

# Participation Program General Application Instructions

The Participant must submit a complete Participation Program General Application. The Application is used to help the Agency score the project for project viability and area benefit requirements as detailed above in the **Agency Evaluation of Participation Program General Applications**. The Participant must complete all required documentation to demonstrate developer capacity, as specified below. Failure to complete all required documentation may result in a delay in, or rejection of, a Participant/developer's Application. Participants should plan for the application process, upon submission and receipt of a complete application to the Agency, to take 12 weeks for review and approval. This time estimate includes time for staff review, public meeting(s), and scheduling of a meeting with the Redevelopment Agency Board at a regularly scheduled City Council meeting. Times may vary depending on the completeness of the application. For Catalyst Project Assistance Program projects, the review period may be longer depending on the need for any third party pro forma analysis reviews requested by Agency staff.

## Project Scope and Feasibility

The Participant must provide a detailed description of the project. These requirements include a description of the project, site plans, schedule, a market study, and evidence of site control for the property being redeveloped and other relevant documentation as follows:

### Exhibit A: Project Scope and Feasibility

**Attachment 1:** *Developer's Description of Project*

**Attachment 2:** *Community Benefit Attributes*

**Attachment 3:** *Site Plan, Building Elevations and Rendering(s)*

**Attachment 4:** *Proposed Development Schedule*

**Attachment 5:** *Market Study*

**Attachment 6:** *Evidence of Site Control (i.e. deed, option to purchase, or purchase contract)*

The Participant must complete all required documentation, including all attachments as specified. Failure to complete all required documentation may result in a delay in, or rejection of, an Application. Upon request, Attachment 4 may be provided confidentially to the Agency and returned to the Participant if necessary to protect any proprietary or confidential information of the Participant.

## Financial Necessity Requirement

In order for the Agency to evaluate the financial necessity of tax increment financing support, the applicant must submit financial documentation substantiating the need for tax increment financing and that no other reasonable means of financing is available. To demonstrate this requirement, the Agency requires the developer to complete the following:

### Exhibit B: No Other Reasonable Means of Financing Documentation

**Attachment 1:** *Sources & Uses Statement*

**Attachment 2:** *10-Year Operating Pro Forma*

**Attachment 3:** *2 Years of Financial Statements, including Balance Sheet and Income Statement*

**Attachment 4:** *Developer Banking References*

**Attachment 5:** *Developer Affidavit – Financial Necessity Statement*

The Participant must complete all required documentation, including all attachments as specified. Failure to complete all required documentation may result in a delay in, or rejection of, an Application.



## Developer Capacity

The Agency seeks to support property owners and developers that demonstrate the requisite experience, organizational capacity, and financial capacity to ensure completion of projects supported by tax increment financing. The applicant must complete all required documentation to demonstrate developer capacity, as follows:

### Exhibit C: Developer Capacity

**Attachment 1:** *History of the Development Entity*

**Attachment 2:** *Organizational Structure of the Development Entity*

**Attachment 3a:** *Resumes of all Principals and Key Individuals*

**Attachment 3b:** *Resumes of Affiliated Development Team (i.e. prime contractor, architect, and engineer)*

The Participant must complete all required documentation, including all attachments as specified. Failure to complete all required documentation may result in a delay in, or rejection of, an Application.

The following Appendix contains the Participation Program General Application. Please complete all items.

## Application Process for TIF Assistance Program & Catalyst Project Assistance Program

The applicant shall follow the application steps, shown below, to submit an Application

