



C I T Y O F
RENO
Memorandum

DATE: 1/22/25

TO: Mayor and City Council

THROUGH: Jackie Bryant, City Manager
Ashley Turney, Assistant City Manager

FROM: Bryan McArdle, Revitalization Manager

DEPT: City Manager's Office

SUBJECT: 315/ 355 Record Street Economic Development and Sale Agreement

This memo outlines the AGREEMENT FOR ECONOMIC DEVELOPMENT AND PURCHASE/ SALE OF REAL PROPERTY with Ulysses Development Group for the sale of the 315 / 355 Record Street property. This Agreement reflects the original deal terms presented to the Council plus one new provision allowing the City of Reno to demolish the existing buildings on site. The new provision allowing the City of Reno to demolish the property is needed due to ongoing safety and security concerns and the significant resources expended maintaining the property between now and the closing, which could be extended up to two years.

Ulysses Development Group will seek funding from the Nevada Housing Division and the City of Reno to complete the sale and initiate its affordable housing project. These funding sources come with restrictive covenants and obligations tied to affordable housing, ensuring the project adheres to specified income and affordability requirements. The affordable housing project will deliver units that adhere to income guidelines, with the primary target being households earning at or below 60% of the Area Median Income (AMI). Taking into account Council's feedback, Ulysses is also evaluating a mix of affordability levels, potentially including units affordable to households at 30% AMI and others at up to 80% AMI. The overall income average for the project will not exceed 60% AMI, maintaining compliance with funding requirements.

Per NRS 268.063, the property must be sold for an economic development purpose. Section 3.01b of the agreement addresses this requirement by stipulating that if the use of the property were to ever change, it must still comply with NRS 268.063 and provide some form of commercial enterprise. However, it should be noted that the project will have the Nevada Housing Division Regulatory Agreement and Declaration of Restrictive Covenants running with the project for 15 years.