

STAFF REPORT

Date: July 27, 2022

To: Mayor and City Council

Thru: Doug Thornley, City Manager

Subject: Staff Report (For Possible Action): Resolution to Reapportion the Assessments for the City of Reno, Nevada 1999 Special Assessment District No. 2 (ReTRAC) Reapportionment No. 22.

From: Hans Meyer

Department: Public Works

Summary: The City created the 1999 Special Assessment District (SAD) No. 2 for the design, financing, and construction of the Reno Transportation Rail Access Corridor (ReTRAC). Nevada law allows the governing body to reapportion uncollected assessment amounts on a SAD's divided parcels. Due to the property owner's action to combine the three parcels of 007-542-03, 007-542-04, and 007-542-06 into one parcel with the original assessment amounts of \$110,715.00 for the three parcels, the assessments for the 1999 SAD No. 2 – ReTRAC shall be redistributed to the newly created parcel. Staff recommends approval of the Resolution to reapportion the remaining installments upon the newly created parcel for the collection of the remaining assessment amount for the 1999 SAD No. 2.

Alignment with Strategic Plan: Not Applicable

Previous Council Action:

- **2005 to 2022:** Council adopted 21 separate resolutions to reapportion assessments since the creation of the City of Reno, Nevada 1999 Special Assessment District No. 2.

- **March 9, 2005:** Council adopted Ordinance No. 5668 confirming the proceedings taken in providing for the City of Reno, Nevada 1999 Special Assessment District No. 2. and began levying assessments.
- **February 23, 2005:** Council adopted Resolution No. 6493 concerning the City of Reno, Nevada 1999 Special Assessment District No. 2; a resolution considering and making the determination on complaints, protests and objections. November 10, 1998 Council approved Bill No. 5462, the Ordinance Creating the City of Reno, Nevada 1999 Special Assessment District No. 2.
- **September 22, 1998:** Council adopted Resolution No. 5527, which initiated the 1999 Special Assessment District No. 2 by directing the City Engineer to prepare plans and costs estimates for the proposed District.

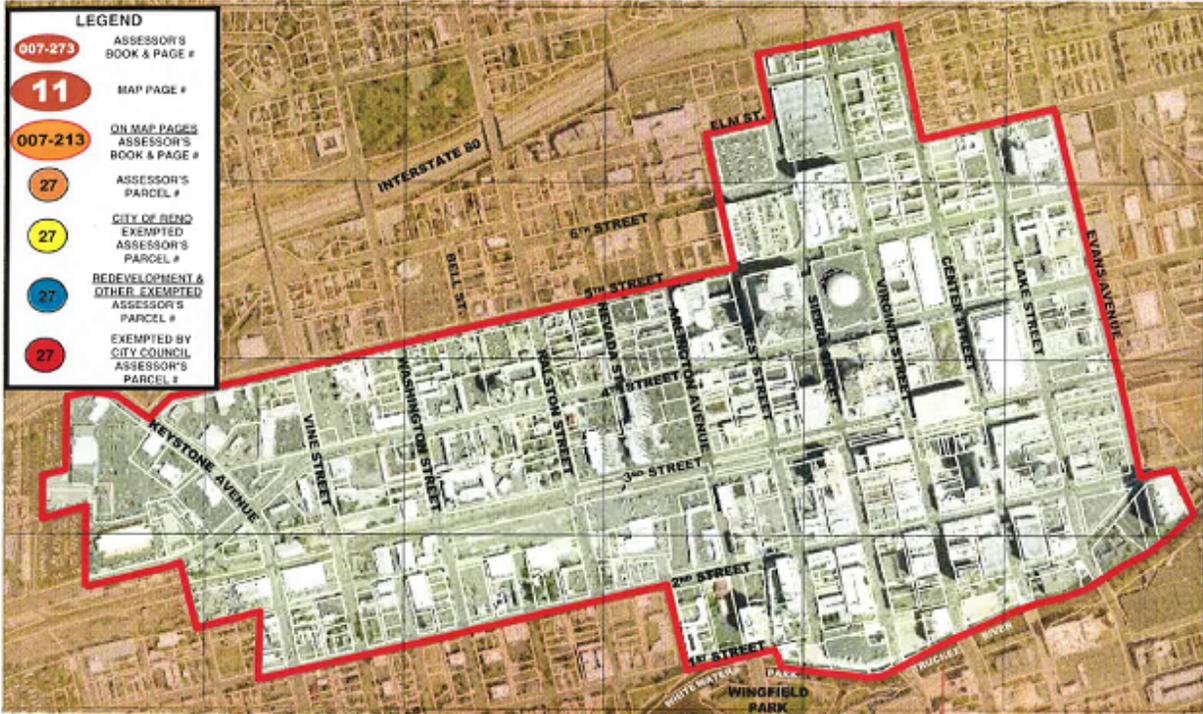
Background: The 1999 SAD No. 2 was created for the design, financing, and construction of the Reno Transportation Rail Access Corridor consisting of a street, overpass, and transportation project for the railroad corridor through downtown. Council adopted Resolution No. 5527 that directed the City Engineer to prepare and submit plans and cost estimates for the 1999 SAD No. 2. Construction work is complete, and the City of Reno assessed the benefited lots, tracts, and parcels of land in the District a total of \$15,993,209.01. Initial assessments to begin repayment of the bonds were levied on March 9, 2005, with the adoption of Ordinance No. 5668.

When first created, the 1999 SAD No. 2 consisted of 596 parcels with assessments, as shown in the exhibit below. Since then, there have been 21 reapportionments each time a parcel was combined and/or divided. Today, the 1999 SAD No. 2 is comprised of 1,294 parcels; 1,094 of the parcels have paid off the assessment, and 202 parcels currently have a remaining balance. Payments for this District are due September 1 of every year until the final payment date of September 1, 2024.

1999 Special Assessment District No. 2 – Original 596 Parcels



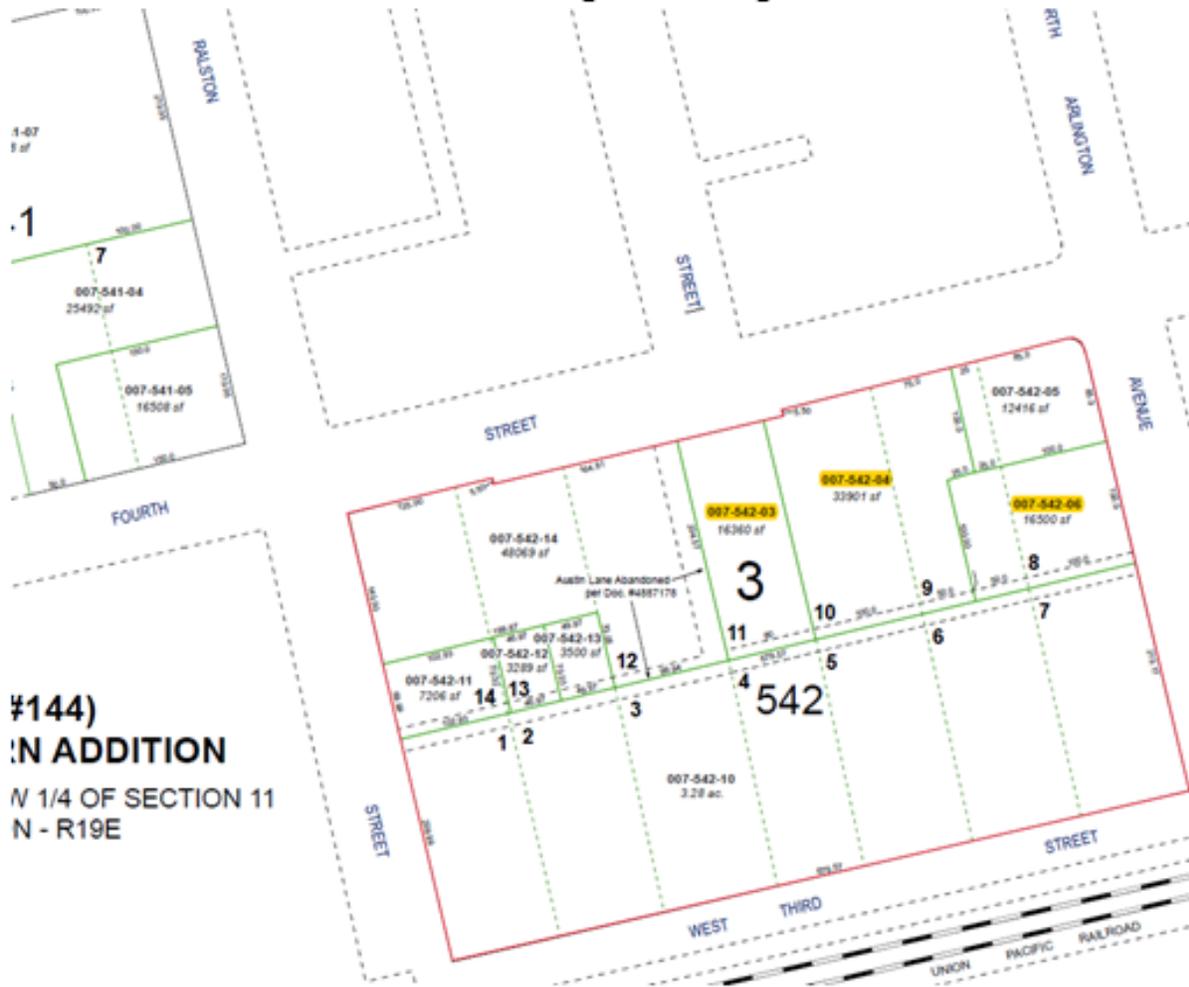
CITY OF RENO Reno Transportation Railroad Access Corridor (ReTRAC) City of Reno 1999 Special Assessment District No. 2



ReTRAC SAD Boundary Map

Discussion: Three parcels within the 1999 Special Assessment District No. 2, shown as APN 007-542-03, 007-542-04, and 007-542-06, have a total original assessment amount of \$110,715.00 shown on the previous parcel map below.

Previous parcel map



The property owner combined the three parcels along with several others into one parcel by Reversion to Acreage Tract Map Number 5476 and recorded it with the County Recorder's office on March 2, 2022. The combination of the parcels is shown on the new parcel map shown below.

New Parcel Map



#144)
RN ADDITION
W 1/4 OF SECTION 11
3N - R19E

Nevada Revised Statute (NRS) 271.425 requires that a reapportionment must not materially impair the City's obligation for the bond secured by the assessment and not increase the balance of any assessment. This reapportionment meets those requirements.

This resolution satisfies and allows for the reapportioning and collection of the remaining installments for the 1999 SAD No. 2 that will be distributed proportionally to the acreage of the newly created parcel as shown in Table 1 below:

Table 1 – Proposed Reapportionments

Original Parcel Number	Amount of Assessment	New Parcel Number	Amount of Assessment
007-542-03	\$10,815.00	007-542-15	\$110,715.00
007-542-04	\$78,946.00		
007-542-06	\$20,954.00		

AMOUNT OF REAPPORTIONED ASSESSMENTS: \$ 110,715.00

Financial Implications: None at this time.

Legal Implications: Reapportionment of Special Assessments is permitted by NRS 271.425 subject to the Council making the findings that the reapportionment will not:

- (a) Materially or adversely impair the obligation of the municipality with respect to any outstanding bond secured by assessments; or
- (b) Increase the principal balance of any assessment to an amount such that the aggregate amount which is assessed against a tract exceeds the minimum benefit to the tract that is estimated to result from the project which is financed by the assessment.

There is no change to the overall amount being assessed, so this reapportionment will not materially impair the obligation of the City with respect to the bond secured by the assessment, nor will it increase the balance of any assessment.

Recommendation: Staff recommends Council adopt the Resolution to reapportion the remaining installments in the 1999 Special Assessment District No. 2 (ReTRAC) upon the newly created parcels for the assessment collection.

Proposed Motion: I move to approve staff recommendation

Attachments: Resolution to Reapportion 1999 SAD No 2