

STAFF REPORT

Date: February 22, 2023

To: Mayor and City Council

Thru: Doug Thornley, City Manager

Subject: Staff Report (For Possible Action): Approval of Resolution to enter into a Deposit and Reimbursement Agreement to define the terms and conditions under which monies will be advanced by and reimbursed to the Developer for a proposed Special Assessment District project located within the Mortensen-Garson Overlay District and includes Assessor's Parcel Numbers 038-200-16, 038-190-48, 038-030-10, 038-190- 37, and 038-120-04.

From: Vicki VanBuren, Director of Finance

Department: Finance

Summary:

Staff requests authorization from Council to begin negotiation of a proposed Special Assessment District. This resolution approves the form of a deposit agreement related to the proposed Special Assessment District (the "District") and authorizes staff of the City to negotiate the particulars of the District.

Alignment with Strategic Plan:

Economic and Community Development

Previous Council Action:

There is no recent Council action relevant to this item.

Background:

Toll North Reno, LLC, a Nevada limited liability company (the "Developer"), on behalf of itself proposes the formation of the District in the City to finance the costs of certain public improvements. The project site is +/- 1,127 acres located within the Mortensen-Garson Overlay District (MGOD) and includes Assessor's Parcel Numbers 038-200-16, 038-190-48, 038-030-10, 038-190-37, and 038-120-04. The general location of the property is south and east of U.S. Highway 80, southwest of the Boomtown Garson Road overpass of the Highway. The Developer owns all of the property in the proposed assessment district.

The proposed assessments would be paid by the future homeowners with-in the “Quilici” project. The project will include approximately 1,300 total residential units. The public improvements would include water infrastructure and the anticipated costs for these improvements is approximately \$32.6 million. The bond request amount is estimated at \$24.5 million. This would result in an average annual assessment payment of \$1,669 per homeowner based on a 30 year bond.

Discussion:

Pursuant to the Deposit and Reimbursement Agreement, which is approved by this resolution, the Developer will advance moneys to the City to be used by the City to pay costs and expenses associated with the formation of the District, the levy of assessments, and the issuance of Bonds, such advances being subject to reimbursement or credit upon a successful issuance of Bonds or the termination or abandonment of proceedings relating to the District.

The sole purpose of this resolution is approve a deposit and reimbursement agreement relating to the District and authorize staff to negotiate the particulars of the District. This resolution does not commit the City to form the District, levy assessments within the District, or issue Bonds to finance public improvements within the District.

Financial Implications:

All costs of the City related to the proposed District will be paid from the money advanced by the Developer, or from proceeds of the Bonds issued to finance the public improvements in the District. There will be no direct financial impacts to the City.

Legal Implications:

None.

Recommendation:

Staff recommends Council adopt the resolution approving the deposit and reimbursement agreement.

Proposed Motion:

I move to approve staff recommendation.

Attachments:

City of Reno Resolution Approving Deposit Agreement

Deposit Reimbursement Agreement – City of Reno

Project Description Toll 1-18-23 version 3

Off-Site Utilities Exhibit 01-19-2023