

MINUTES OF THE SPECIAL MEETING
HOUSING AUTHORITY OF THE CITY OF RENO
BOARD OF COMMISSIONERS
March 11, 2022

The special meeting of the Board of Commissioners of the Housing Authority of the City of Reno (Agency) was called to order by Chairman Sullivan at 12:01 pm on Friday, March 11, 2022 in the Agency's Boardroom.

Commissioners Present

Mark Sullivan, Chairman
Dave Aiazzi, Vice Chairman
Mayor Hillary Schieve **via Phone**
Oscar Delgado **via Phone**

Commissioners Absent

Staff Present

Amy Jones, Executive Director
Heidi McKendree, Deputy Director
Chuck Zeh Esq, Legal Counsel
Pete Cladianos, III, Legal Counsel
Linda Long, Director of Administration
Kathy Merrill, Human Resources Specialist
April Conway, Public Information Officer
Lindsay Dobson, Executive Administrative Assistant

Staff Absent

Others Present

Britton Griffith, RHA Development Committee Chair

There being a quorum present, the order of business was as follows:

- **Call to order and roll call.**
- **Receive introduction of guests.**

Britton Griffith

Public Comment. Public comment, if any, must be limited to any item on the agenda which is listed as an item for action by the Board. Comment from the public is limited to three minutes per person, under these items.

There was no public comment.

➤ **Approval of agenda (For Possible Action)**

Vice Chairman Aiazzi moved to approve the agenda. Commissioner Schieve seconded the motion. Hearing no further discussion, Chairman Sullivan called for the question. The vote was all ayes, no nays. Chairman Sullivan declared the motion carried and the agenda approved.

1. Presentation of financial audit from Justin Measley, Certified Public Account with CliftonLarsonAllen LLP. (Discussion)

Justin Measley presented the draft audit report with the assistance of a power point presentation. Justin Measley stated CliftonLarsonAllen LLP (CLA), reviewed our financial statements using a risk-based approach. During CLA's independent audit review, they found that the financial statements are free from material misstatement based on the procedures CLA performs. CLA performed government standards report in which they reviewed RHA's internal controls over financial reporting and compliance. CLA opined that the government standards audit was unmodified or a clean report. CLA reported the next step is for the audit to go to their quality control review in which one of their independent Certified Public Accountants (not involved with this reporting) will perform a high-level overview of the audit. Once that is completed, CLA will finalize the financial statements and provide them to us.

2. Consider adoption of Resolution 22-03-02 RH appointing Deputy Executive Director Heidi McKendree as interim Executive Director of the Reno Housing Authority (RHA) to serve in such capacities until the RHA Board selects an Executive Director to serve in a full-time capacity. In such interim position, the interim Executive Director shall report directly to the Board and shall have such duties and responsibilities as set forth in the job description as attached to the contract of the Executive Director and as further expanded in the current Executive Director's contract. The Board will determine the terms of the appointment and compensation of the interim Executive Director at the course of this meeting or defer the determination of the compensation package to a later date. The Board may proceed with any other action deemed necessary with the intention of appointing an interim Executive Director. (For Possible Action)

The resignation of Executive Director Jones is effective March 11, 2022. The Authority's business, affordable housing programs, and staff need a fluent continuation of authority to run the organization. Deputy Executive Director Heidi McKendree has served the Authority for 15 years and possesses the knowledge and expertise to guide the affordable housing programs and staff while the Board conducts a search for a replacement Executive Director. Appointing Heidi McKendree as the interim Executive Director effective 5 pm March 11, 2022, will allow the Authority to continue its operations, as well as provide staff guidance.

Deputy Executive Director McKendree agreed to assume the role of Interim Executive Director for no longer than six months. Deputy Executive Director McKendree, with assistance from legal counsel, will draft an employment agreement to be approved by the Board at the Board meeting scheduled for Tuesday, March 22, 2022.

Vice Chairman Aiazzi motioned to appoint Deputy Director Heidi McKendree as Interim Executive Director with the pay to commensurate with that of current Executive Director Amy Jones effective 12:01am on Saturday, March 12, 2022. Commissioner Schieve seconded the motion. Hearing no further discussion, Chairman Sullivan called for the question. The vote was all ayes and no nays. Chairman Sullivan declared the motion carried.

3. Consider proposed qualifications and position description for the recruitment of a new Executive Director in view of the current Executive Director's announced resignation, identify possible selection criteria for the Executive Director position, consider salary range, consider other terms and conditions of employment, give possible direction to staff in light of decisions made, and to take other such other action as deemed appropriate in connection with these matters. (For Possible Action)

The Board discussed considering previous Executive Director candidates that applied for the position during the last recruitment of an Executive Director. Commissioner Delgado recommended the Executive Director position be open to the public and not only extended to previous applicants. The Board agreed to interview previous candidates first and then open the position of Executive Director to the public if they were not satisfied with the previous applicants.

Vice Chairman Aiazzi moved that staff and Chairman Sullivan write a letter to the past applicants who still live in the Reno area to advise them that this position is open. Any interested candidates would schedule to interview during the Board meeting held March 22, 2022. Commissioner Schieve seconded the motion. Hearing no further discussion, Chairman Sullivan called for the question. The vote was three ayes with Commissioner Delgado opposed. Chairman Sullivan declared the motion carried three to one.

- 4. Consider specific recruitment and selection options and timetables needed to select a new Executive Director, give possible direction to staff in light of the selection and recruitment decisions made by the Board, possible development of a recruitment plan and strategy, give possible direction to staff in light of the decisions made by the Board regarding the recruitment and selection process and recruitment plan and strategy, and to take such other action as deemed appropriate in connection with these matters. (For Possible Action)**

The Board combined agenda items three and four.

- 5. Evaluation of the State of Nevada's \$500M allocation of the American Rescue Plan Act (ARPA) funds directed toward affordable housing. Discussion and possible action may include, but not be limited to, availability of such funding for the remittance to the RHA, breakdown of the funding, eligible uses of the funding, possible timelines for allocation of the ARPA funds, and prioritization of specific uses as it relates to RHA properties and needs, and to what extent the ARPA funds should be pursued, and the development of a plan to pursue such funds as they relate to the RHA mission. (For Discussion and Possible Action)**

Governor's Allocation of \$500M toward Affordable Housing

\$300M – New development of multifamily affordable housing. Target 60% below AMI

\$130M – Preservation of affordable housing. Target 60% AMI

- Properties must be owned

\$30M – Homeownership and Rehab –

- Seniors aging in place. Home improvements
- Homeownership program

\$40M – Land acquisition –

- Removal blight

Money must be obligated by 12/2024
Money must be spent by 12/2026

Executive Director Jones informed the Board that the first 250 million dollars is being presented at the Interim Finance Committee (IFC) meeting on April 7, 2022. The State is in the process of determining the preapplication process for dispensing this funding.

Vice Chairman Aiazzi moved to direct staff to prioritize some specific projects, what the needs are, and what kind of ARPA funds are available for those development plans. Commissioner Schieve seconded the motion. Hearing no further discussion, Chairman Sullivan called for the question. The vote was all ayes and no nays. Chairman Sullivan declared the motion carried.

- 6. Discussion and for possible direction to staff identifying local housing resources and housing needs not being met in the community. Discussion may include, but not be limited to, identifying affordable housing partners, housing sector gaps, wrap-around services, and other such affordable housing segments currently deemed inadequate to support households in need within the Reno, Sparks, and Washoe County region. Direction to staff may include initiating meetings with local jurisdictions to collectively address housing needs of the community. (For Discussion and For Possible Action)**

Chairman Sullivan requested clarification on the state of the transitional housing on the Cares Campus property. Chairman Sullivan states there is some confusion if the City of Reno is going to build transitional housing on the property or if the RHA is expected to do so. Commissioner Schieve proposed City Council have a special meeting in which they would meet with the RHA staff and discuss the future state of the Cares Campus property.

- 7. Closed Session to discuss and provide direction to the RHA negotiating team regarding the RHA's interest in purchasing the parcels situated at 215 W 4th Street, Reno, NV; APN: 007-284-06, the Bonanza Inn and 007-284-11 paved parking lot adjacent to the Bonanza. The Board may also consider other approaches to pursue the purchase of the Bonanza Inn. No formal acceptance of the negotiated settlement will be made during the closed session. No action may be taken during the closed session.**

The Board determined a close session was not necessary on this item.

- 8. Closed Session to discuss and provide direction to the RHA negotiating team regarding the RHA's interest in purchasing the parcels situated at North Arlington Avenue and West Street, Reno, NV; APN: 007-471-01, APN: 007-473-01, APN: 007-471-02, APN: 007-283-17, APN: 007-283-09, APN: 007-283-10, APN: 007-283-11, APN: 007-283-12, APN: 007-283-07, APN: 007-283-19, and APN: 007-283-18, collectively known as the "Sundowner". No formal acceptance of the negotiated settlement will be made during the closed session. No action may be taken during the closed session.**

The Board determined a close session was not necessary on this item.

- 9. Closed session to discuss and provide direction to the RHA negotiating team regarding the Buyer's interest in the purchase of the Horizon Hills property; APN: 82-225-10. Discussion of the terms of the purchase and sale agreement may be discussed but no action will be taken during the closed session.**

The Board determined a close session was not necessary on this item.

- 10. Discussion and for possible action to continue negotiations with the Seller including authorizing the Executive Director or a designee to negotiate, including a non-binding Letter of Intent for the purchase the parcels located at 215 W 4th Street, Reno, NV; APN: 007-284-06, the Bonanza Inn and 007-284-11 paved parking lot adjacent to the Bonanza. The Board may also consider other approaches to pursue the purchase of the Bonanza. (For Possible Action)**

The Board discussed the six million dollars that was allocated to the Bonanza Inn. Reno City Council stipulated the property has to serve 60 – 120% of the area median income (AMI). The Bonanza Inn property is being sold in probate court and no hearing date has been scheduled at this time.

- 11. Discussion and for possible action to continue negotiations with the Seller including authorizing the Executive Director or a designee to negotiate, including a non-binding Letter of Intent for the purchase of the following parcels situated at North Arlington Avenue and West Street, Reno, NV; APN: 007-471-01, APN: 007-473-01, APN: 007-471-02, APN: 007-283-17, APN: 007-283-09, APN: 007-283-10, APN: 007-283-11, APN: 007-283-12, APN: 007-283-07, APN: 007-283-19, and APN: 007-283-18, collectively known as the “Sundowner”. The Board may also consider other approaches to pursue the purchase of the Sundowner. (For Possible Action)**

The Board determined there was no update on the Sundowner property.

- 12. Discussion and for possible action may be but not be limited to review of the terms of the purchase and sale agreement with the Buyer including authorizing the Executive Director or a designee to continue to negotiate the terms of the sale and purchase agreement, execute the purchase and sale agreement, or any other action the Board deems appropriate for the Horizon Hills property; APN: APN: 82-225-10. (For Possible Action)**

Legal counsel, Zeh continues to finalize the Purchase and Sale Agreement (PSA) for the Horizon Hills property. Once the PSA is finalized, the Board will forward it to the Horizon Hills buyer of the Horizon Hills to be reviewed by their legal counsel.

13. Additional items:

- i) General matters of concern to Board Members regarding matters not appearing on the agenda. (Discussion)**

The Board discussed creating a Regional Board comprised of RHA Board members, City of Sparks Council members, and Washoe County Commissioners. This RHA Board would grant authority to this Regional Board to make decisions on behalf of RHA. The Board determined further discussion would be had once the matter was agendized for a future Board meeting.

- ii) Reports on conferences and trainings. (Discussion)**

There were no conferences or trainings discussed.

iii) Old and New Business. (Discussion)

There was no old or new business to discuss.

iv) Schedule of next meeting. The following dates have been scheduled in advance but are subject to change at any time:

- (a) special meeting scheduled Friday, March 18, 2022;
- (b) regular meeting scheduled Tuesday, March 22, 2022 (possible merge into Friday, March 25, 2022, meeting)
- (c) special meeting scheduled Friday, March 25, 2022 (For Possible Action).

14. Public Comment. The opportunity for public comment is reserved for any matter within the jurisdiction of the Board. No action on such an item may be taken by the Board unless and until the matter has been noticed as an action item. Comment from the public is limited to three minutes per person.

There was no public comment.

15. Adjournment. (For Possible Action)

Vice Chairman Aiazzi motioned to adjourn the meeting. Commissioner Schieve seconded the motion. Hearing no further discussion, Chairman Sullivan called for the question. The vote was all ayes and no nays. Chairman Sullivan declared the motion carried and the meeting adjourned at 1:31 pm.