

**NOTICE OF REGULAR MEETING OF THE
HOUSING AUTHORITY OF THE CITY OF RENO
BOARD OF COMMISSIONERS**

The Housing Authority of the City of Reno (Agency) will conduct a public meeting:

MEETING DATE: Tuesday, August 22, 2023
TIME: 12:00 p.m. (Approximately)
PLACE: Reno Housing Authority Boardroom
1525 East Ninth Street, Reno, Nevada

Persons wishing to provide public comment may participate during the scheduled meeting by commenting in person during the course of the meeting, or address their comments, data, views, arguments in written form to Hilary Lopez, Ph.D., Executive Director, Housing Authority of the City of Reno, 1525 East 9th Street, Reno, NV 89512-3012, Fax: 775.786.1712; e-mail address: HLopez@renoha.org. Written submission should be received by the Board on or before, August 21, 2023, by 5:00 p.m., in order to make copies available to members of the Board and the public.

Below is an agenda of all items scheduled to be considered. At the discretion of the chairperson or the Board, items on the agenda may be taken out of order; the Board may combine two or more agenda items for consideration, and the Board may remove an item from the agenda or delay discussion relating to an item on the agenda at any time. The public is advised that one or more members of the Board may participate in the meeting via electronic means.

A G E N D A

- Call to order and roll call.
- Introduction of guests.
- First Period of 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. Comments from the public is limited to three minutes per person, under these items.
- Approval of agenda. (For Possible Action)
- 1. Approval of the minutes of the closed session meeting held July 17, and the regular Board meeting held July 25, 2023. (For Possible Action)
- 2. Presentation by Cori Fisher, Director of Resident Services, to Homer “Kyle” Burke, Workforce Development graduate. (Discussion)
- 3. Presentation by Cori Fisher, Director of Resident Services, on RHA summer camps, youth activities, and back-to-school fair. (Discussion)
- 4. Consent Agenda. (All consent items may be approved together with a single motion, be taken out of order, and/or be heard and discussed individually. Items will be removed and considered separately at the request of the public or Board member.) (For Possible Action)

- a) Possible adoption of Resolution 23-08-01 RH approving a final budget revision and closeout of FY 2019 Capital Fund Program (CFP).
 - b) Consider adoption of Resolution 23-08-02 RH authorizing four Project Based Vouchers for 419 10th Street.
 - c) Consider adoption of Resolution 23-08-03 RH authorizing 12 Project Based Veterans Affairs Supportive Housing Vouchers for Dick Scott Manor.
 - d) Consider adoption of Resolution 23-08-04 RH authorizing eight Project Based Vouchers for Pinyon Apartments.
5. Commissioner Reports. (Discussion)
 6. Executive Director/Secretary's Report. (Discussion)
 - A. Update on Agency activities
 - B. Update on Rental Assistance Voucher Programs / Asset Management
 - C. Update on Workforce Development, Elderly Services, and youth activities
 - D. Update on Public Affairs activities
 - E. Update on Development activities
 - F. Update on Information Technology activities
 - G. Update on MTW activities
 - H. Financials
 7. Discussion and possible action to authorize the Executive Director to execute the City of Sparks Grant Program Contract for Emergency Rental Assistance in the total amount of \$2,910,000 (\$1,455,000 for FY2023-2024 and \$1,455,000 FY2024-2025). (For Possible Action)
 8. Possible adoption of Resolution 23-08-05 RH, which if approved will allow Agency to submit a HUD Section 18 application, a City of Reno Private Activity Volume Cap request, a Nevada housing Division Multi-Family Bond Application, and a Washoe County HOME Consortium's Affordable Housing Municipal Loan Program application, each for Hawk View Apartments. (For Possible Action)
 9. Discussion and possible action to approve the Purchase and Sale Agreement with Paradise Retail I, LLC, for "Parcel 4-B" on the Paradise Plaza shopping center site plan for a total fiscal impact of \$1.00 for initial purchase of the site. (For Possible Action)
 10. Discussion and possible action to adopt policy changes to the operational procedures that govern changes to the organizational chart and the authorities of the Board of Commissioners and Executive Director. (For Possible Action)
 11. Discussion and possible action to create a sole purpose limited liability company for the 419th 10th Street project and possible action regarding the naming of the property. (For Possible Action)
 12. Discussion on Gaston and Wilkerson management fee analysis. (For discussion only)

13. Closed Session: Collective Bargaining Agreement (CBA). Discussion of the upcoming expiration of the current CBA expiring June 30, 2024, potential items for negotiation in a new CBA and associated fiscal impacts. The Board may give direction to staff in closed session regarding the position or positions to be taken or the strategy to be employed leading to the execution of a new CBA. There will be no approval of the collective bargaining agreement during the course of the closed session. (For discussion only)
14. Additional Items:
 - i) General matters of concern to Board Members regarding matters not appearing on the agenda. (Discussion)
 - ii) Reports on conferences and trainings. (Discussion)
 - iii) Old and New Business. (Discussion)
 - iv) Request for Future Agenda Topics (Discussion)
 - v) Schedule of next meeting. The following dates have been scheduled in advance but are subject to change at any time: Tuesday, September 26, 2023; Tuesday, October 24, 2023; and Tuesday, November 28, 2023. (For Possible Action)
15. 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. Comments from the public are limited to three minutes per person.
16. Adjournment.

This meeting is accessible to the hearing impaired through the RHA TTY/TDD/voice phone line (385) 770-7166. Anyone with a disability, as defined by the Americans with Disabilities Act, requiring special assistance to participate in the meeting, may contact the Board of Commissioners at the following address, at least five days in advance of the meeting in order to make arrangements, if possible, for reasonable accommodations that would enable participation in the meeting by contacting Lindsay Dobson, Executive Administrative Assistant, Housing Authority of the City of Reno, 1525 East Ninth Street, Reno, Nevada, 89512, or by calling (775) 329-3630.

This agenda has been posted at the Housing Authority of the City of Reno Administrative Office, 1525 East Ninth Street; and further in compliance with NRS 241.020, this agenda has been posted on the official website for the Housing Authority of the City of Reno www.renoha.org and the State of Nevada Public Notification website <http://notice.nv.gov/>.

According to the provisions of NRS 241.020(5), a copy of supporting (not privileged and confidential) material provided to Board members may be obtained upon request made to: Lindsay Dobson, Executive Administrative Assistant, Housing Authority of the City of Reno, 1525 East Ninth Street, Reno, Nevada, 89512, or by calling (775) 329-3630. Copies of supporting (not privileged and confidential) material provided to Board members by staff may be obtained at the aforementioned address.

Dated August 16, 2023



By: Lindsay Dobson
Executive Administrative Assistant

RENO HOUSING AUTHORITY

AGENDA ITEM NUMBER: 1

August 22, 2023

SUBJECT: Approval of the minutes of the closed session meeting held July 17, and the regular Board meeting held July 25, 2023. (For Possible Action)

FROM: Executive Director

RECOMMENDATION: For Possible Action

MINUTES OF THE REGULAR MEETING
HOUSING AUTHORITY OF THE CITY OF RENO
BOARD OF COMMISSIONERS
July 25, 2023

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The regular meeting of the Board of Commissioners of the Housing Authority of the City of Reno (Agency) was called to order by Vice Chairman Aiazzi at 12:08 pm on Tuesday, July 25, 2023, in the Agency's Boardroom.

Commissioners Present

Dave Aiazzi, Chairperson
Jazzmeen Johnson, Vice Chairwoman-**via phone**
Mayor Hillary Schieve-present 12:22 pm
Mark Sullivan, Commissioner-**via phone**
Kathleen Taylor

Commissioners Absent

Staff Present

Hilary Lopez, Ph.D., Executive Director
Heidi McKendree, Deputy Executive Director
Ryan Russell, Legal Counsel
JD Klippenstein, Director of Development
Darren Squillante, Director of HR
Cori Fisher, Director of Resident Services
Kristin Scott, Director of Public Housing
Kim Anhalt, Moving to Work Coordinator
April Conway, Public Affairs Officer
Lindsay Dobson, Executive Administrative Assistant

Others Present

Julie Henderson – City of Reno

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

- **Call to order and roll call.**
- **Receive introduction of guests.**
Julie Henderson, City of Reno
- **First Period of 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. Comments from the public is limited to three minutes per person, under these items.**

There was no public comment.

1. Approval of the minutes of the closed session Board meeting held June 27, and the regular Board meeting held June 27, 2023. (For Possible Action)

Commissioner Taylor motioned to approve the minutes of the regular Board meeting held June 27, 2023. Vice Chairwoman Johnson seconded the motion. Hearing no further discussion, Chairman Aiazzi called for the question. The vote was all ayes, no nays. Chairman Aiazzi declared the motion carried.

2. Consent Agenda. (All consent items may be approved together with a single motion, be taken out of order, and/or be heard and discussed individually. Items will be removed and considered separately at the request of the public or Board member.) (For Possible Action)

Commissioner Taylor requested to pull consent agenda items b, c, d, e, f. Commissioner Sullivan motioned to approve consent agenda item a. Vice Chairwoman Johnson seconded the motion. Hearing no further discussion, Chairman Aiazzi called for the question. The vote was all ayes, no nays. Chairman Aiazzi declared the motion carried.

- a) Consider adoption of Resolution 23-07-01 RH revising the Authority's check signature authorization policy.**
- b) Consider adoption of Resolution 23-07-02 RH authorizing the write-off of tenant accounts receivable for the Section 8 Rental Assistance Programs.**
- c) Consider adoption of Resolution 23-07-03 RH authorizing the write-off of landlord accounts receivable for the Section 8 Rental Assistance Programs.**
- d) Consider adoption of Resolution 23-07-04 RH authorizing the write-off of landlord accounts receivable for the Cares Housing Assistance Payments (CHAP) program.**
- e) Consider adoption of Resolution 23-07-05 RH authorizing the write-off of vacated tenant account receivables for the Low-Rent Public Housing Program.**
- f) Consider adoption of Resolution 23-07-06 RH authorizing the write-off of vacated tenant account receivables for the unaided properties.**

Commissioner Taylor requested further discussion on what the Agency can do to make these write-offs less of a financial burden in the future. Deputy Executive Director McKendree as well Director of Asset Management Scott provided additional clarification on each of the consent agenda items.

Commissioner Taylor motioned to approve consent agenda items b, c, d, e, and f. Commissioner Sullivan seconded the motion. Hearing no further discussion, Chairman Aiazzi called for the question. The vote was all ayes, no nays. Chairman Aiazzi declared the motion carried.

3. Commissioner Reports. (Discussion)

No reports.

4. Executive Director/Secretary's Report. (Discussion)

- RHA completed its procurement for a Master Developer partner for its Hawk View and Silverada Manor development projects. Based on the scoring criteria, the committee selected Brinshore Development, LLC, a national development group with experience working with Public Housing Authorities on HUD conversion projects and with expertise in affordable housing development. Staff is drafting a Master Development Agreement based on the terms provided in Brinshore's submission and anticipates bringing the Agreement to RHA's Board of Commissioners for approval in August.
- RHA received the Commitment for Housing Assistance Payments (CHAP) from HUD for the Silverada project. This allows the Agency to stay on track to convert that property using the RAD and Section 18 program.
- Deputy Executive Director McKendree and Executive Director Lopez have been meeting with banks to discuss potential financial structures and products they may have available to leverage our scattered site portfolio.
- RHA will hold a Resident Advisory Board meeting in August to discuss changes to the Admission and Continued Occupancy Plan (ACOP), the HUD Section 18 application for Hawk View, and Administrative Plan changes.
- RHA hosted the first Elevate Nevada Permanent Supportive Housing working group on July 20. The group consisted of about 25 different housing service providers to discuss how to develop permanent supportive housing, discuss operational funding and what makes up a robust package of services for supportive housing.
- RHA's Workforce Development Department received a \$10,000 Community Reinvestment Act donation from Eaglemark Savings Bank to help expand our self sufficiency workshops and activities.
- RHA is unveiling the new playground at Essex Manor and pairing it with the new afterschool partnership with 4H and the Food Bank of Northern Nevada.

B. Update on Rental Assistance Voucher Programs / Asset Management

Rental Assistance Voucher Programs

Voucher Type	Total Voucher Allocation	Vouchers Leased as of 4/1/23	Percent Leased	Vouchers Issued Not Yet Leased
Housing Choice Voucher	2,477	2,245	91%	159
VASH	416	279	67%	63
EHV	137	99	72%	18
FYI	15	6	40%	4

Number HQS Inspections Conducted by Month	
June 2023	201

Housing Choice Vouchers (HCV)

Description: Vouchers used by clients to lease a unit in Washoe County of their choosing. Applicants are pulled from the RHA HCV Waitlist. These vouchers also include Project Based Vouchers. The RHA has chosen to Project Base 107 of our HCV's to assist special populations obtain housing. Of the total 107 PBV units, 95 are assigned to RHA owned properties.

Lease-Up Expectations: Although total voucher allocation is 2524, HUD has set the agency's leasing expectation at 2382 (AKA RHA's MTW Baseline), which is the maximum leasing expectation set by HUD when RHA signed its MTW Contract. Funds provided by HUD to support the HCV program are also used to support the agency's MTW activities and therefore full lease up of all 2524 vouchers is not expected or suggested by HUD.

Veteran's Affairs Supporting Housing Vouchers (VASH)

Description: Vouchers allocated by HUD with an ongoing partnership with the VA to serve homeless veterans. The VA provides case management services to participants. The VA makes direct referrals to RHA of eligible clients and the RHA provides a VASH voucher. Currently, RHA has project-based 9 of these vouchers.

Emergency Housing Vouchers (EHV)

Description: Vouchers allocated by HUD for the specific purpose of assisting homeless individuals or families or those at risk of homelessness in obtaining housing. RHA is partnering with four local agencies (Catholic Charities, Health Plan of Nevada, Washoe County Human Services-Our Place and Volunteers of America) that have experience providing services to this population. Referrals for the program must come from the regional Continuum of Care (CoC) coordinated entry system. Direct referrals are received by the RHA from the partnering agency and the RHA provides the EHV voucher.

Foster Youth to Independence Vouchers (FYI)

Description: Voucher allocated by HUD for the specific purpose of assisting foster youth aging out of the foster care system. RHA is partnering with Washoe County Human Services and Eddy House to provide referrals and case management to clients. Direct referrals are received by the RHA from the partnering agency and the RHA provides the FYI voucher.

Asset Management

- Asset Management has selected Maribel Martinez for the Asset Management Administrator position. That will leave her previous position as an Assistant Manager open. We will be posting that position along with a Maintenance I position that just opened. The groundskeeper and Maintenance II candidates should start in July.
- Maintenance staff are teaming up on Thursdays through the end of August to complete weed removal and trimming at all sites. The past few weeks they focused on the vacant scattered sites houses to ensure the units were cleaned up and did not appear overgrown. The next several weeks will be spent at the public housing complexes.
- Management and Maintenance continue to practice in Yardi to retain the knowledge from the training prior to going live. Staff have focused on completing the set ups needed to ensure a successful go live.
- Public Housing ended the month of June with 47 vacancies for an overall occupancy rate of 93.96% across all sites. In June, ten residents vacated their unit, and two units were leased.

C. Update on Workforce Development, Elderly Services, and youth activities

Department Updates

- Staff met with three CPAs to inquire about assistance in creating a non-profit 501(c)(3) subsidiary to help the department apply for additional grants, allow for community member donations, and help create long-term, sustainable income for program expenses moving forward. After choosing a CPA, the next steps include finalizing the nonprofit name and mission, creating a board of directors, and drafting bylaws and articles of incorporation.

Elderly Services

- RHA partnered with **St. Mary's** to host a "lunch & learn" nutrition information workshop for senior residents.
- Blood pressure checks, blood sugar checks, lipid profiles, and other medical examinations continue at McGraw Court and Willie J. Wynn through a partnership with **Sanford Center for Aging**.

Workforce Development (WFD)

- RHA received a \$10,000 Community Reinvestment Act donation from **Eaglemark Savings Bank** to help expand our self-sufficiency workshops and activities. Staff is working through multiple expansion ideas and will have an action plan in August.
- The *Getting Ahead in a Just Getting by World* program, in partnership with **Opportunity Alliance Nevada**, is underway. The residents enrolled in the 16-workshop intensive program are expected to graduate the evening of August 29, 2023. Once details are finalized, the Board will be notified.

Youth/Family Activities

- **Rotary Youth Leadership Awakening (RYLA)** hosted 10 RHA youth for a full day of Summer camp fun at Grizzly Creek Ranch to participate in activities and practice the leadership skills learned during the week. As part of RYLA's leadership training, they built 10 new bikes that were donated to RHA youth in attendance.
- The third **Sierra Nevada Journeys** summer camp week (of five) with RHA youth is complete. 55 total youth will attend summer camp free of cost thanks to **The Helen Close Charitable Foundation's** generous grant.

Resident Councils

- Essex Manor officially has an active Resident Council, after 2 years of inactivity. They held their first community BBQ on July 22, 2023.
- Stead Manor resident council held a car wash fundraiser to help raise funds to start a Youth Resident Board.

** The Authority's community partners are designated in bold within the Update on Elderly Services, Workforce Development, and youth activities headers.*

D. Update on Public Affairs Activities

Traditional Media, Social Media

- All three local TV stations and the RGJ covered the groundbreaking at Dick Scott Manor.
- Two local TV stations, including Spanish Univision, covered the Start Smart scholarship dinner.

Opportunity Knocks Magazine

- Staff is compiling final corrections and will send to Reno Type for printing.

Other

- Staff is beginning work on the unveiling of the new playground at Essex Manor. Coupling the event with the new after-school-care partnership with 4-H and the Food Bank of Northern Nevada. Date is set for Tuesday, August 29.
- Staff completed the resident newsletter. It's with the print company and will be mailed shortly.
- Staff submitted history project scope of work to UNR political science department.
- Staff began researching a platform in which to send elected officials and community partners a quarterly email update on RHA activities.
- Staff began work on media/comms training for executive level staff.

The quarterly Celebrity Homes Tour for new RHA employees is planned for August 3. This is a van tour of RHA PH & scattered sites to acquaint new employees with RHA properties.

Silverada Manor & Hawk View Redevelopment

- After interviewing the top 4 candidates on June 28, 2023, the evaluation committee selected Brinshore Development as the Master Developer for Hawk View Apartments and Silverada Manor. Brinshore has extensive experience in Public Housing Redevelopment (RAD, Section 18, Choice Neighborhood Initiatives) around the country and their references provided very positive feedback. Additionally, the Evaluation Committee felt that Brinshore would work well with RHA staff and increase the agency's development capacity moving forward. RHA staff is currently working on the Master Developer Service Agreement and plans to bring the finalized document to the August BOC meeting.
- HUD Environmental Reviews (ER) continue to move forward on pace. Hawk View's Environmental Review is complete and has been submitted for HUD approval. SHPO has reviewed and provided feedback on Silverada's Section 106 package. This feedback will be incorporated into the final review submitted to HUD in August.

Dick Scott Manor

- Site work kicked off on July 11, 2023.

419 10th Street

- Environmental Review is complete and has been submitted for HUD approval.
- Following HUD ER approval, RHA plans to close escrow on the purchase of the property.
- Invitation for Bid (IFB) for the project's General Contractor was released in mid-July.
- Development Department is in the process of executing a loan agreement for the \$1M HOME-ARP award.

Stead Manor

- HMNI Grant Agreements and Deed Restriction have been fully executed.
- RFQ for CMAR released in mid-July.

Essex Manor

- HMNI Grant Agreements and Deed Restriction have been fully executed.

McGraw Court/Silver Sage Court

- HMNI Grant Agreements and Deed Restriction drafts nearly finalized.
- Updated HUD Declaration of Trust for McGraw Court has been signed and recorded.
- RFQ for CMAR released in mid-July.

Capital Fund Projects

- Video Surveillance System installation at Myra Birch starting in early August.
- Video Surveillance System installation at Stead Manor starting late August/early September.

HVAC replacement at McGraw starting in late August/early September.

F. Update on Information Technology activities

- The IT team continues to move forward with the implementation of Yardi Voyager which will take the place of RHA's current database, Emphasys Elite. Staff have been reviewing data and fine-tuning settings based on a test conversion conducted in late June. Final data conversion is scheduled for July 24, 2023, which will allow both Rental Assistance and Asset Management staff to begin working in Voyager on August 1, 2023. The Finance team will begin fully working in Voyager on September 1, 2023.
- As staff complete Phase I of Yardi Voyager implementation in August, Phase II will begin in September which includes additional modules not vital to the agency's day-to-day activities, but that will ensure long-term efficiencies.
- Due to the significant impact the scale of a software conversion has on any agency undergoing one, staff and consultants will be working together through August and September to work through new procedures and ensure smooth workflows utilizing the new software. This process, in addition to finance staff and Nan McKay consultant, John Murphy, preparing to submit RHA's unaudited FDS submission, will impact the finance department's ability to prepare a financial report for the September Board meeting. Presentation of a financial report will resume for the October Board meeting.
- In addition to the database conversion, IT staff continues to work on scanning oversight, workflow creation and general operation of Laserfiche software.
- IT staff have done a remarkable job keeping the agency running smoothly from a technical standpoint since the resignation of IT Director, Samantha Arellano, in early June. RHA staff at all levels remain excited by IT software implementations that will ultimately result in increased efficiency agency wide. Initial and second interviews for a new IT Director have been conducted. A final determination is anticipated by August.

G. Update on MTW Activities

FY 2023 Annual MTW Report

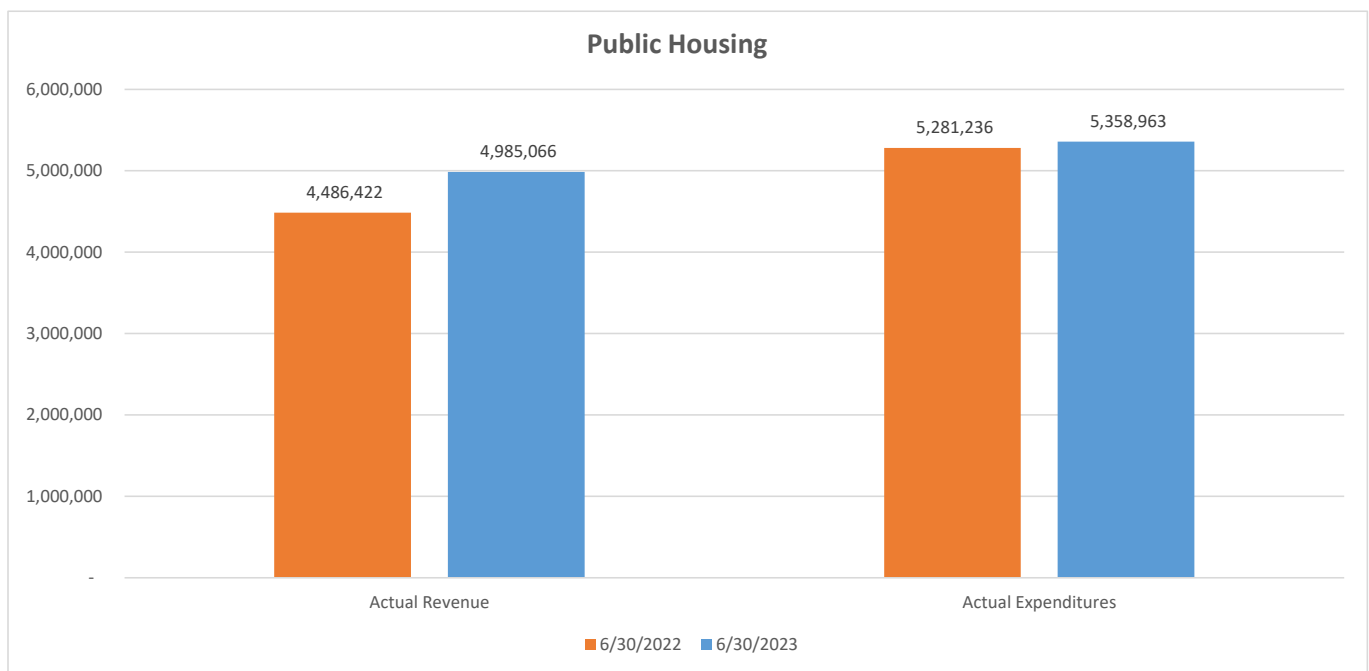
- Preparation for RHA's annual MTW Report to HUD is underway with data continuing to be pulled on current MTW activities. Until the new software system is in place, most of the required data needs to be pulled manually by looking up every household assisted by RHA multiple times. To date, detailed information has been pulled for families currently paying minimum rent, those undergoing triennial recertifications and households receiving RHA's standardized utility allowances in the HCV program. Detailed demographic information has been compiled on all public housing residents and the same information for rental assistance households is currently being pulled. A thorough data analysis will be used to gauge whether activities within RHA's MTW program are successful. Data analysis is also used to demonstrate areas where the activity may be amended to ensure its continued success. All data analyses will be finalized following the end of the Fiscal Year with the final report due to HUD by September 30, 2023.

- Completed surveys and internal data on current and prior Mobility Demonstration participants have been sent to Rebecca J. Walter, PhD at the University of Washington (UW). Details including household income, family composition, and employment status of each household will be used by UW to evaluate the overall progress of these families and the Demonstration program overall. This analysis is a requirement of RHA's MTW participation and will be included in the annual MTW report to HUD.

H. Financials

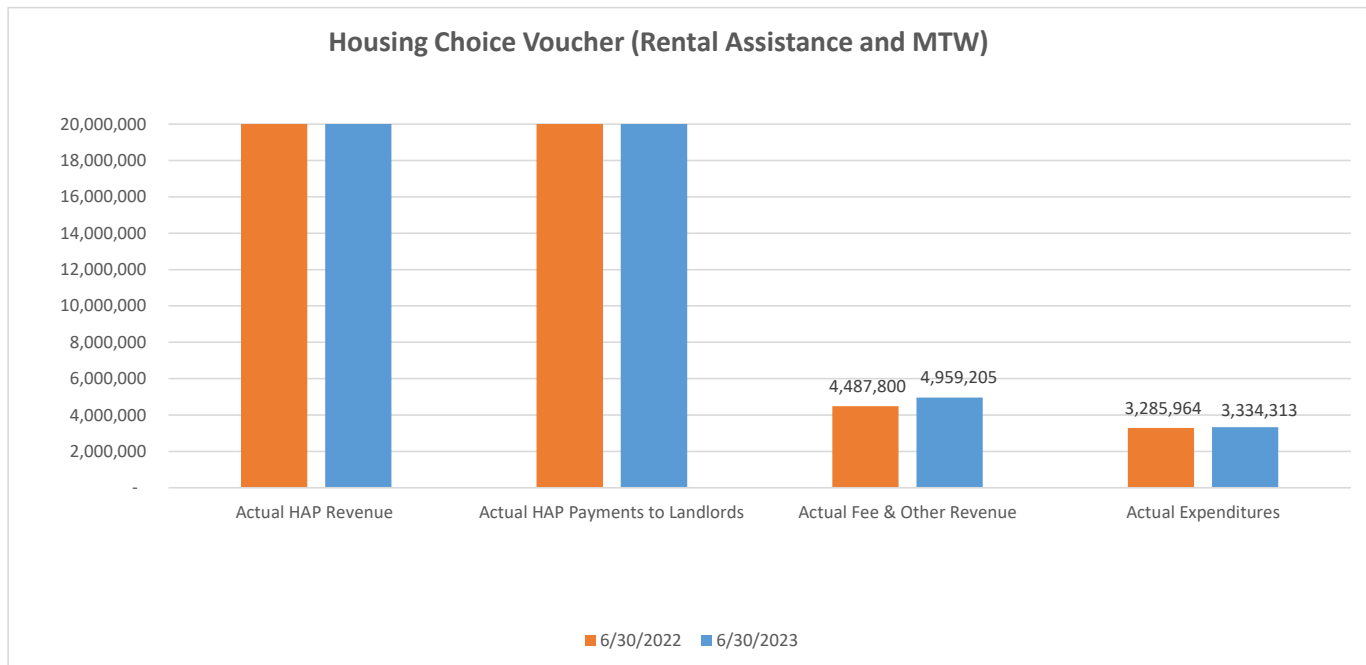
ENTITY-WIDE FINANCIAL REPORT
FOR THE 12 MONTHS ENDED JUNE 30, 2023

Public Housing	6/30/2023	6/30/2022	Variance Favorable (Unfavorable)	Variance Percentage
Actual Revenue	4,985,066	4,486,422	498,644	11.11%
Budgeted Revenue	4,668,839	4,597,571	71,268	1.55%
Actual Expenditures	5,358,963	5,281,236	77,727	1.47%
Budgeted Expenditures	5,685,699	4,811,311	874,388	18.17%
Actual Surplus (deficit)	(373,896)	(794,813)	420,917	-52.96%



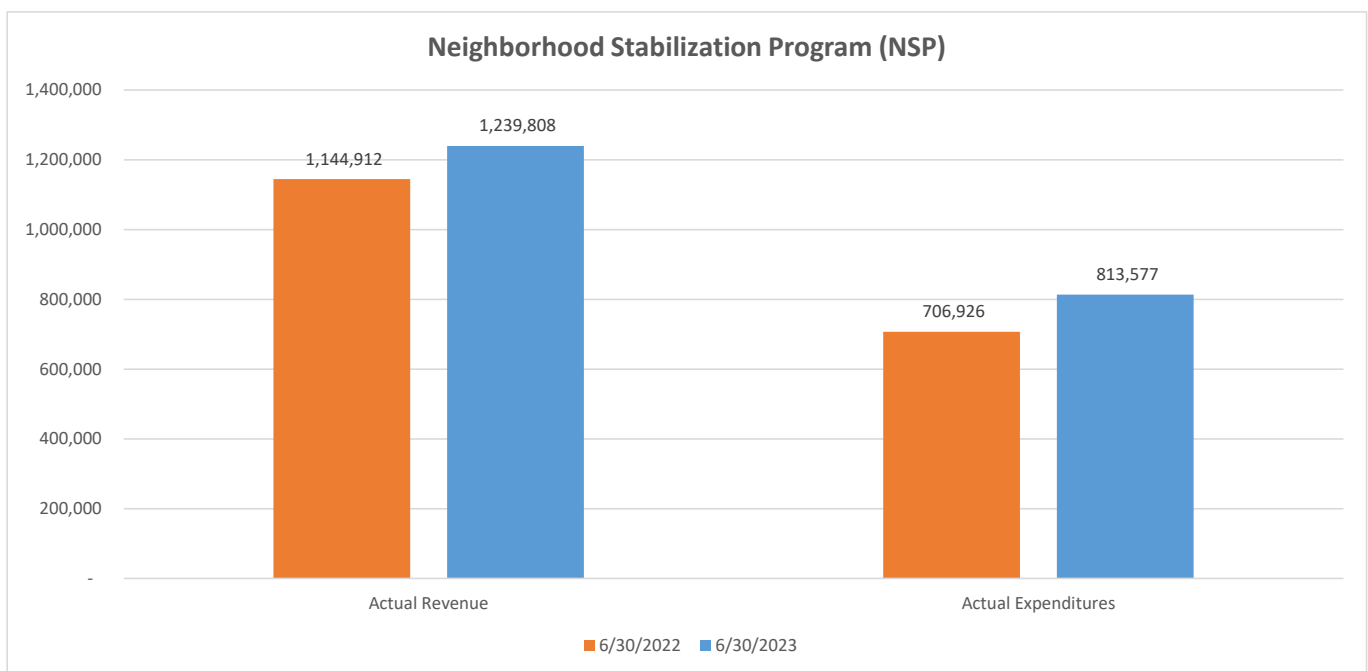
ENTITY-WIDE FINANCIAL REPORT
FOR THE 12 MONTHS ENDED JUNE 30, 2023

Housing Choice Voucher (Rental Assistance and MTW)	6/30/2023	6/30/2022	Variance Favorable (Unfavorable)	Variance Percentage
Actual HAP Revenue	21,914,406	37,342,324	(15,427,918)	-41.31%
Budgeted HAP Revenue	25,592,604	39,466,270	(13,873,666)	-35.15%
Actual HAP Payments to Landlords	24,390,189	37,123,882	(12,733,693)	-34.30%
Budgeted HAP Payments to Landlords	25,224,916	38,774,921	(13,550,005)	-34.95%
Actual Fee & Other Revenue	4,959,205	4,487,800	471,405	10.50%
Budgeted Fee & Other Revenue	2,672,593	3,402,158	(729,565)	-21.44%
Actual Expenditures	3,334,313	3,285,964	48,349	1.47%
Budgeted Expenditures	3,394,072	3,596,710	(202,638)	-5.63%
Actual Surplus (deficit)	(850,891)	1,420,278	(2,271,169)	-159.91%



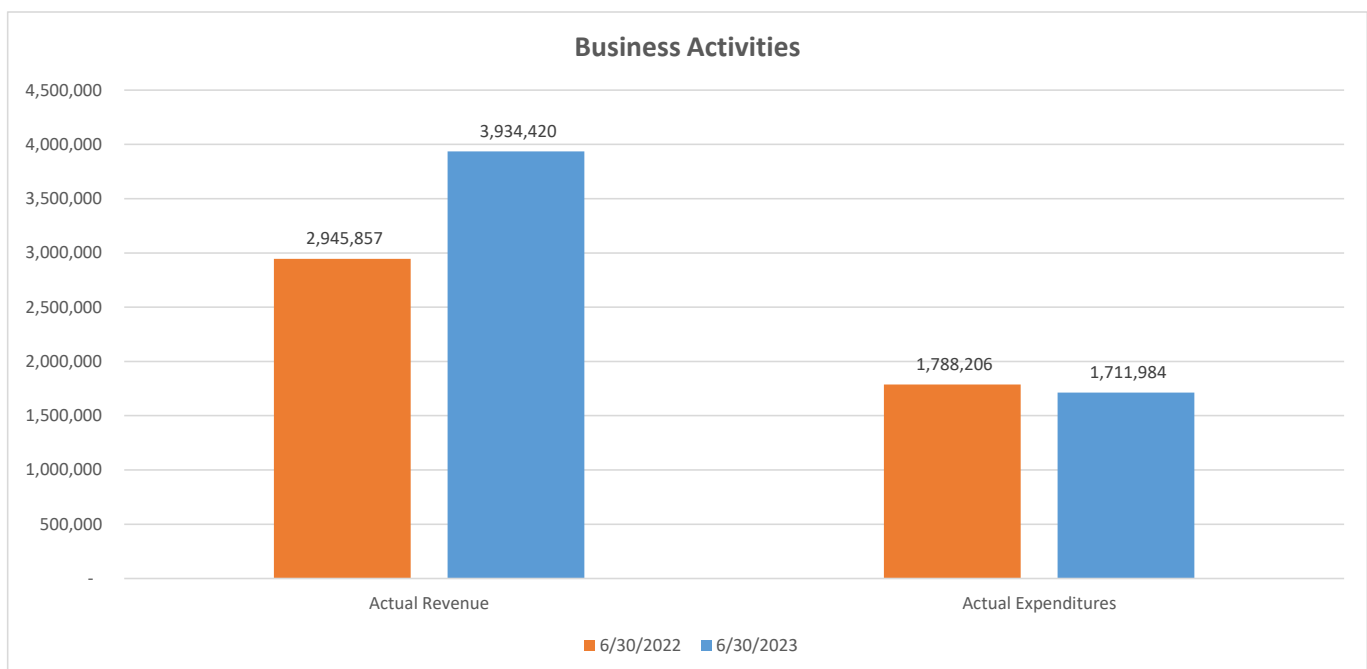
ENTITY-WIDE FINANCIAL REPORT
FOR THE 12 MONTHS ENDED JUNE 30, 2023

Neighborhood Stabilization Program (NSP)	6/30/2023	6/30/2022	Variance Favorable (Unfavorable)	Variance Percentage
Actual Revenue	1,239,808	1,144,912	94,895	8.29%
Budgeted Revenue	1,194,205	1,121,727	72,478	6.46%
Actual Expenditures	813,577	706,926	106,651	15.09%
Budgeted Expenditures	687,750	692,393	(4,643)	-0.67%
Actual Restricted Surplus (deficit)	426,231	437,987	(11,756)	-2.68%



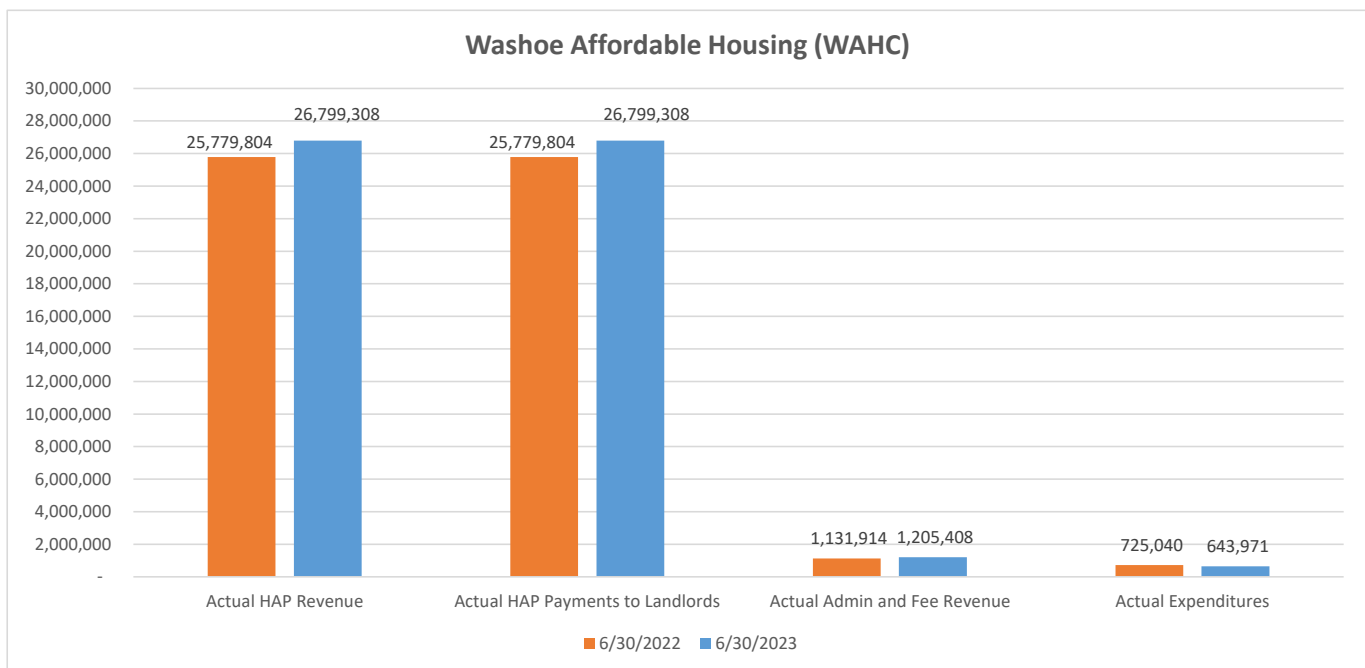
ENTITY-WIDE FINANCIAL REPORT
FOR THE 12 MONTHS ENDED JUNE 30, 2023

Business Activities	6/30/2023	6/30/2022	Variance Favorable (Unfavorable)	Variance Percentage
Actual Revenue	3,934,420	2,945,857	988,563	33.56%
Budgeted Revenue	4,097,478	3,223,632	873,846	27.11%
Actual Expenditures	1,711,984	1,788,206	(76,223)	-4.26%
Budgeted Expenditures	1,721,094	2,111,059	(389,965)	-18.47%
Actual Unrestricted Surplus (deficit)	2,222,436	1,157,650	1,064,786	91.98%



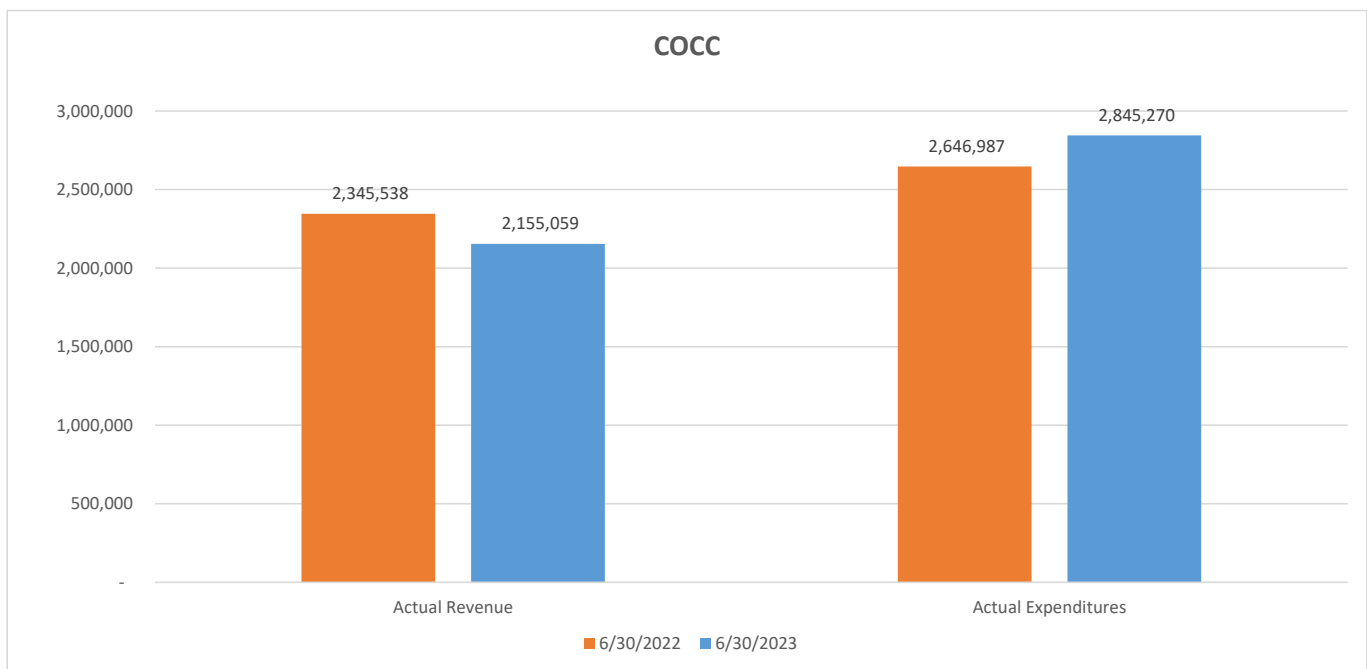
ENTITY-WIDE FINANCIAL REPORT
FOR THE 12 MONTHS ENDED JUNE 30, 2023

Washoe Affordable Housing (WAHC)	6/30/2023	6/30/2022	Variance Favorable (Unfavorable)	Variance Percentage
Actual HAP Revenue	26,799,308	25,779,804	1,019,504	3.95%
Budgeted HAP Revenue	25,737,290	26,635,356	(898,066)	-3.37%
Actual HAP Payments to Landlords	26,799,308	25,779,804	1,019,504	3.95%
Budgeted HAP Payments to Landlords	25,737,290	26,635,356	(898,066)	-3.37%
<i>HAP Surplus (Deficit)</i>	-	-	-	0.00%
Actual Admin and Fee Revenue	1,205,408	1,131,914	73,493	6.49%
Budgeted Admin and Fee Revenue	1,033,015	887,376	145,639	16.41%
Actual Expenditures	643,971	725,040	(81,069)	-11.18%
Budgeted Expenditures	707,558	674,112	33,446	4.96%
<i>Unrestricted Profit (Loss)</i>	<i>561,437</i>	<i>406,874</i>	154,563	37.99%
Actual compared to budget	561,437	406,874	154,563	37.99%



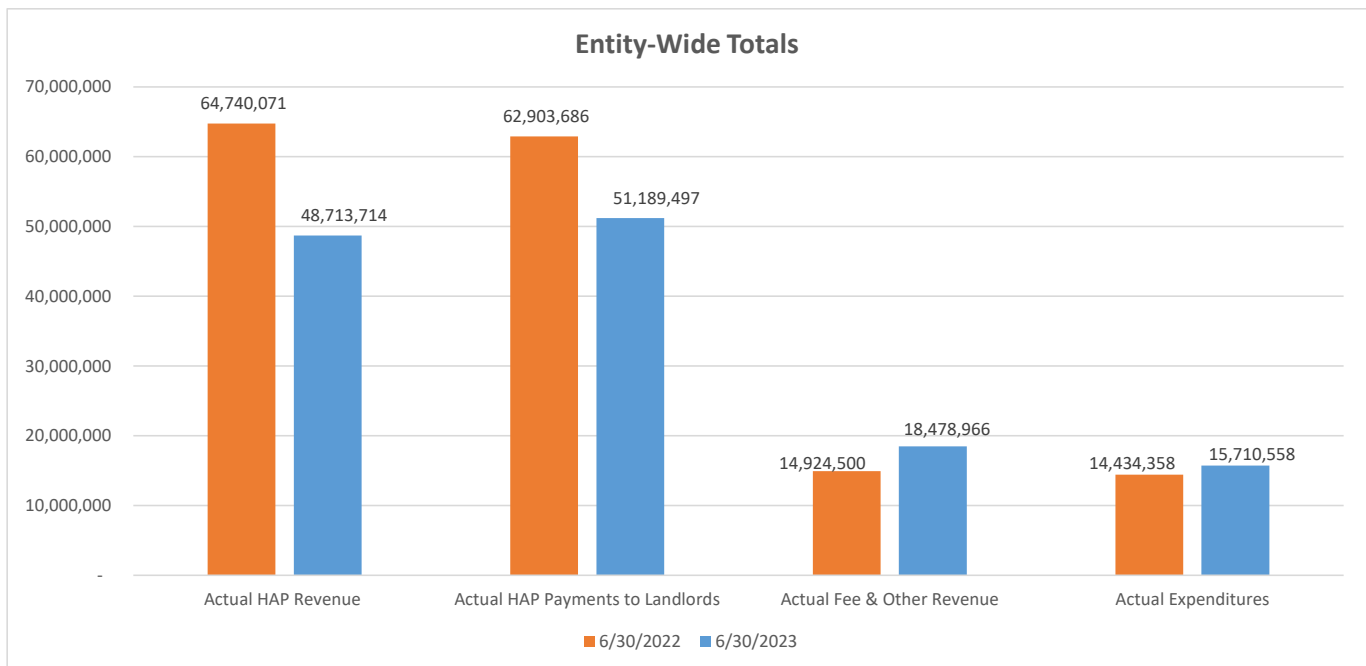
ENTITY-WIDE FINANCIAL REPORT
FOR THE 12 MONTHS ENDED JUNE 30, 2023

COCC	6/30/2023	6/30/2022	Variance Favorable (Unfavorable)	Variance Percentage
Actual Revenue	2,155,059	2,345,538	(190,479)	-8.12%
Budgeted Revenue	2,382,390	1,942,760	439,630	22.63%
Actual Expenditures	2,845,270	2,646,987	198,284	7.49%
Budgeted Expenditures	3,877,704	1,875,314	2,002,390	106.78%
Actual Unrestricted Surplus (deficit)	(690,211)	(301,449)	(388,762)	128.96%



ENTITY-WIDE FINANCIAL REPORT
FOR THE 12 MONTHS ENDED JUNE 30, 2023

Entity-Wide Totals	6/30/2023	6/30/2022	Variance Favorable (Unfavorable)	Variance Percentage
Actual HAP Revenue	48,713,714	64,740,071	(16,026,357)	-24.75%
Budgeted HAP Revenue	51,329,894	67,906,627	(16,576,733)	-24.41%
Actual HAP Payments to Landlords	51,189,497	62,903,686	(11,714,189)	-18.62%
Budgeted HAP Payments to Landlords	50,962,206	65,465,273	(14,503,067)	-22.15%
<i>HAP Surplus (Deficit)</i>	<i>(2,475,783)</i>	<i>1,836,385</i>	<i>(4,312,168)</i>	<i>-234.82%</i>
Actual Fee & Other Revenue	18,478,966	14,924,500	3,554,466	23.82%
Budgeted Fee & Other Revenue	16,048,520	13,370,223	2,678,297	20.03%
Actual Expenditures	15,710,558	14,434,358	1,276,200	8.84%
Budgeted Expenditures	16,073,877	13,705,902	2,367,975	17.28%
<i>Unrestricted Profit (Loss)</i>	<i>2,768,408</i>	<i>490,142</i>	<i>2,278,266</i>	<i>464.82%</i>
Actual Surplus (deficit)	292,625	2,326,527	(2,033,902)	-87.42%



5. **Discussion and possible action to authorize the Executive Director to execute a contract with JK Architecture Engineering in the amount of \$487,535.00 for architectural services for the John McGraw Court and Silver Sage Court rehabilitation projects. (For Possible Action)**

Commissioner Sullivan motioned to approve agenda item five as written. Commissioner Schieve seconded the motion. Hearing no further discussion, Chairman Aiazzi called for the question. The vote was all ayes, no nays. Chairman Aiazzi declared the motion carried.

6. **Discussion and possible action to authorize the Executive Director to execute a contract with JK Architecture Engineering in the amount of \$840,430.00 for architectural services for the Stead Manor rehabilitation project. (For Possible Action)**

Commissioner Taylor motioned to approve agenda item six as written. Commissioner Sullivan seconded the motion. Hearing no further discussion, Chairman Aiazzi called for the question. The vote was all ayes, no nays. Chairman Aiazzi declared the motion carried.

7. **Discussion and possible action to authorize the Executive Director to execute a contract with JK Architecture Engineering in the amount of \$55,300.00 for engineering services for the asphalt and concrete replacement project at Ala Moana Apartments architectural services for the Stead Manor rehabilitation project. (For Possible Action)**

Commissioner Schieve motioned to approve agenda item seven as written. Commissioner Sullivan seconded the motion. Hearing no further discussion, Chairman Aiazzi called for the question. The vote was all ayes, no nays. Chairman Aiazzi declared the motion carried.

8. **Update on due diligence process for the 419th 10th Street project and possible action regarding the naming of the property. (For Possible Action)**

Members of the Board agreed to bring their recommendations to the August Board meeting. No action was taken on this item.

9. **Discussion and possible action to approve grant agreements and deed restrictions with the State of Nevada for State and Local Fiscal Recovery Funds (also known by the State as Home Means Nevada Initiative (HMNI) funds) for the following projects: \$2,500,000 for the redevelopment of John McGraw Court and \$1,000,000 for the redevelopment of Silver Sage Court. (For Possible Action)**

Commissioner Schieve motioned to approve grant agreements and corresponding deed restrictions for John McGraw Court and Silver Sage Court. Commissioner Sullivan seconded the motion. Hearing no further discussion, Chairman Aiazzi called for the question. The vote was all ayes, no nays. Chairman Aiazzi declared the motion carried.

10. **Consider adoption of Resolution 23-07-07 RH authorizing the creation of a 501(c)(3) Non-Profit organization to facilitate fundraising and grant awards to support RHA Resident Services activities and Resolution 23-07-08 RH authorizing the creation of a 501(c)(3) Non-Profit organization to facilitate fundraising and grant awards to support RHA housing development goals. (For Possible Action)**

Commissioner Schieve motioned to approve Resolution 23-07-07 RH and Resolution 23-07-08 RH as presented. Vice Chairwoman Johnson seconded the motion. Hearing no further discussion, Chairman Aiazzi called for the question. The vote was all ayes, no nays. Chairman Aiazzi declared the motion carried.

11. Additional Items:

- i) **General matters of concern to Board Members regarding matters not appearing on the agenda. (Discussion)**
- ii) **Reports on conferences and trainings. (Discussion)**
- iii) **Old and New Business. (Discussion)**
- iv) **Request for Future Agenda Topics (Discussion)**
- v) **Schedule of next meeting. The following dates have been scheduled in advance but are subject to change at any time: Tuesday, July 25, 2023; Tuesday, August 22, 2023; and Tuesday, September 26, 2023. (For Possible Action)**

RENO HOUSING AUTHORITY

AGENDA ITEM NUMBER: 2

July 25, 2023

SUBJECT: Presentation by Cori Fisher, Director of Resident Services, to Homer “Kyle” Burke, Workforce Development graduate. (Discussion)

FROM: Executive Director

RECOMMENDATION: Discussion

RENO HOUSING AUTHORITY

AGENDA ITEM NUMBER: 3

August 22, 2023

SUBJECT: Presentation by Cori Fisher, Director of Resident Services, on RHA summer camps, youth activities, and back-to-school fair. (Discussion)

FROM: Executive Director

RECOMMENDATION: Discussion

RENO HOUSING AUTHORITY**AGENDA ITEM NUMBER: 4****August 22, 2023**

SUBJECT: Consent Agenda. (All consent items may be approved together with a single motion, be taken out of order, and/or be heard and discussed individually. Items will be removed and considered separately at the request of the public or Board member.) (For Possible Action)

FROM: Executive Director

RECOMMENDATION: For Possible Action

- a) Possible adoption of Resolution 23-08-01 RH approving a final budget revision and closeout of FY 2019 Capital Fund Program (CFP).
- b) Consider adoption of Resolution 23-08-02 RH authorizing four Project Based Vouchers for 419 10th Street.
- c) Consider adoption of Resolution 23-08-03 RH authorizing 12 Project Based Veterans Affairs Supportive Housing Vouchers for Dick Scott Manor.
- d) Consider adoption of Resolution 23-08-04 RH authorizing eight Project Based Vouchers for Pinyon Apartments.

HOUSING AUTHORITY OF THE CITY OF RENO
RESOLUTION **23-08-01 RH**

A RESOLUTION APPROVING A FINAL BUDGET REVISION AND CLOSE OUT OF
FY 2019 CAPITAL FUND PROGRAM (CFP) NV01P001501-19

WHEREAS, the Housing Authority of the City of Reno (RHA) has received Capital Fund Program funding for modernization of its Public Housing complexes and management improvements, and

WHEREAS, the Department of Housing and Urban Development requires submission of performance and evaluation reports when changes have been made to the budget;

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Commissioners of the Housing Authority of the City of Reno as follows:

1. That the Board of Commissioners hereby authorizes and directs the Executive Director to submit the final budget revision and close out of FY 2019 Capital Fund Program NV01P001501-19 in substantially the form attached hereto as Exhibit 230801-A.
2. That RHA will comply with all policies, procedures and requirements prescribed by HUD for modernization, including implementation of the modernization in a timely, efficient and economical manner;
3. That RHA has established controls to ensure that any activity funded by the CFP is not also funded by any other HUD program, thereby preventing duplicate funding of any activity.
4. That RHA will not provide to any development more assistance under the CFP than is necessary to provide affordable housing, after taking into account other government assistance provided.
5. That the proposed physical work will meet the modernization and energy conservation standards under 24 CFR 968 or 24 CFR 905.
6. That the proposed activities, obligations and expenditures in the Annual Statement are consistent with the proposed or approved RHA Comprehensive Plan.
7. That RHA will comply with applicable civil rights requirements under 24 CFR 968 or 24 CFR 905 and, where applicable, will carry out the Comprehensive Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, and Section 504 of the Rehabilitation Act of 1973.
8. That RHA has adopted a goal of awarding a specified percentage of the dollar value of the total of the modernization contracts, to be awarded during subsequent FFYs, to minority business enterprises and will take appropriate affirmative action to assist resident-controlled and women's business enterprises under 24 CFR 968; or RHA will, to the greatest extent feasible, give preference to the award of modernization contracts to Indian organizations and Indian-owned economic enterprises under 24 CFR 905.
9. That RHA has provided HUD with any documentation that the Department needs to carry out its review under the National Environmental Policy Act (NEPA) and other related authorities in accordance with 24 CFR 968.110(c), (d) and (m) or 24 CFR 905.120(a), (b), and (j), and will not obligate, in any manner, the expenditure of CFP funds, or otherwise undertake the activities identified in its Comprehensive Plan/Annual Statement, until RHA receives written notification from HUD indicating that the Department has complied with its responsibilities under NEPA and other related authorities.

10. That RHA will comply with the wage rate requirements under 24 CFR 968.110(e) and (f) or 24 CFR 905.120(c) and (d).
11. That RHA will comply with the relocation assistance and real property acquisition requirements under 24 CFR 968.110(g) or 24 CFR 905.120(e).
12. That RHA will comply with the requirements for physical accessibility under 24 CFR 968.110(h) or 24 CFR 905.120(g) and the Section 504 transition plan needs were met no later than July 1994.
13. That RHA will comply with the requirements for access to records and audits under 24 CFR 968.110(j) and 24 CFR 905.120(g).
14. That RHA will comply with the uniform administrative requirements under 24 CFR 968.110(j) or 24 CFR 905.120(h).
15. That RHA will comply with lead-based paint testing and abatement requirements under 24 CFR 968.110(k) and 24 CFR 905.120(g).
16. That RHA has complied with the requirements governing local/tribal government and resident participation in accordance with 24 CFR 968.320(b) and (c), 968.330(d) and 968.340 or 24 CFR 905.672(b) and (c), 905.678(d) and 905.684, and has given full consideration to the priorities and concerns of local/tribal government and residents, including any comments which were ultimately not adopted, in preparing the Comprehensive Plan/Annual Statement and any amendments hereto;
17. That RHA will comply with the special requirements of 24 CFR 968.310(d) or 24 CFR 905.666(d) with respect to a homeownership development;
18. That RHA will comply with the special requirements of 24 CFR 968-235 with respect to a Section 23 leased housing bond-financed development; and
19. The modernization work will promote housing that is modest in design and cost, but still blends in with the surrounding community.
20. In connection with the operation of any program or activity receiving federal financial assistance under the United States Housing Act of 1937, the RHA will comply with all requirements under the applicable regulations of the Department of Housing and Urban Development, 24 CFR 941, 24 CFR 8.50 and 24 CFR 8 which implements Section 504 of the Rehabilitation Act of 1973, or 24 CFR 24.630 which implements the Drug-Free Workplace Act of 1988 Certification, as appropriate, and all HUD regulations relating to the operation of public housing projects.
21. This Resolution is to be effective upon the date of its adoption.

ADOPTED THIS 22 DAY OF August, 2023.

ATTEST

CHAIRPERSON

SECRETARY

HOUSING AUTHORITY OF THE CITY OF RENO
RESOLUTION **23-08-02 RH**

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ASSIGN
FOUR (4) PROJECT BASED VOUCHERS (PBV) TO 419 10th STREET AS PART
OF THE LOCAL PROJECT BASED VOUCHER PROGRAM

WHEREAS, it is the mission and desire of the Housing Authority of the City of Reno (RHA) and the Board of Commissioners to provide affordable housing options for low income individuals and families throughout Reno, Sparks, and Washoe County; and

WHEREAS, the RHA has determined that there is a need for affordable housing targeted to individuals and families which are extremely low income, very-low income, low-income, homeless, or at-risk of homelessness based on data from the Continuum of Care, the HUD Consolidated Plan, and demand for housing vouchers; and

WHEREAS, the US Department of Housing and Urban Development (HUD) allows Public Housing Authorities to project base Section 8 Housing Choice Vouchers, subject to certain requirements, for a maximum initial term of 20-years through a Housing Assistance Payments (HAP) contract, with automatic renewals thereafter subject to the terms of the HAP contract and HUD funding; and

WHEREAS, under the Agency's MTW FY 2024 Annual Plan Local Project Based Voucher Program (Activity 2024-02), the RHA provides project-based vouchers to assist in providing additional housing choice for low-income families and to allow RHA to make additional dwelling units available and, under the same activity, RHA is able to have the Board of Commissioners assign these vouchers.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Commissioners of the Housing Authority of the City of Reno as follows:

1. That the Executive Director is authorized to assign four (4) Project Based Vouchers to 419 10th Street, Sparks, Nevada, and execute a 20-year Housing Assistance Payments (HAP) contract.
2. This Resolution is to be effective upon the date of its adoption.

ADOPTED THIS 22 DAY OF August, 2023.

ATTEST:

CHAIRPERSON

SECRETARY

HOUSING AUTHORITY OF THE CITY OF RENO
RESOLUTION **23-08-03 RH**

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ASSIGN
TWELVE (12) PROJECT BASED VETERANS AFFAIRS SUPPORTIVE HOUSING
(VASH) VOUCHERS TO DICK SCOTT MANOR AS PART OF THE MOVING TO
WORK MOBILITY PROGRAM

WHEREAS, it is the mission and desire of the Housing Authority of the City of Reno (RHA) and the Board of Commissioners to provide affordable housing options for low income individuals and families throughout Reno, Sparks, and Washoe County; and

WHEREAS, the RHA has determined that there is a need for permanent supportive housing targeted to veterans who are extremely low income, very-low income, homeless, or at-risk of homelessness based on data from the Continuum of Care, the HUD Consolidated Plan, and demand for housing vouchers; and

WHEREAS, the RHA administers VASH vouchers that are specifically provided to serve eligible and qualified veteran households; and

WHEREAS, the RHA partners with the US Department of Veterans Affairs to provide services to clients in receipt of a VASH voucher which assists the client improve self-sufficiency and their quality of life; and

WHEREAS, the US Department of Housing and Urban Development (HUD) allows Public Housing Authorities to project base VASH vouchers for a maximum initial term of 20-years through a Housing Assistance Payments (HAP) contract, with automatic renewals thereafter subject to the terms of the HAP contract and HUD funding; and

WHEREAS, under the Agency's MTW FY 2024 Annual Plan Local Project Based Voucher Program (Activity 2024-02), the RHA provides project-based vouchers to assist in providing additional housing choice for low-income families and to allow RHA to make additional dwelling units available and, under the same activity, RHA is able to have the Board of Commissioners assign these vouchers.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Commissioners of the Housing Authority of the City of Reno as follows:

1. That the Executive Director is authorized to assign 12 Project Based VASH Vouchers to Dick Scott Manor and execute a 20-year Housing Assistance Payments (HAP) contract.

2. This Resolution is to be effective upon the date of its adoption.

ADOPTED THIS 22 DAY OF August, 2023.

ATTEST:

CHAIRPERSON

SECRETARY

HOUSING AUTHORITY OF THE CITY OF RENO
RESOLUTION **23-08-04 RH**

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ASSIGN
EIGHT (8) PROJECT BASED VOUCHERS (PBV) TO PINYON APARTMENTS AT
1120 E. MOANA LANE, RENO, NEVADA, AS PART OF THE LOCAL PROJECT
BASED VOUCHER PROGRAM

WHEREAS, it is the mission and desire of the Housing Authority of the City of Reno (RHA) and the Board of Commissioners to provide affordable housing options for low income individuals and families throughout Reno, Sparks, and Washoe County; and

WHEREAS, the RHA has determined that there is a need for affordable housing targeted to individuals and families which are extremely low income, very-low income, low-income, homeless, or at-risk of homelessness based on data from the Continuum of Care, the HUD Consolidated Plan, and demand for housing vouchers; and

WHEREAS, Pinyon Apartments is a new Low Income Housing Tax Credit project that will be located in Reno, Nevada, and consist of 252 affordable housing units targeted to households with incomes at or below 60% of area median income adjusted for family size; and

WHEREAS, Pinyon Apartments, L.P., was awarded funding through a competitive process and meets all the requirements for assignment of vouchers; and

WHEREAS, the US Department of Housing and Urban Development (HUD) allows Public Housing Authorities to project base Section 8 Housing Choice Vouchers, subject to certain requirements, for a maximum initial term of 20-years through a Housing Assistance Payments (HAP) contract, with automatic renewals thereafter subject to the terms of the HAP contract and HUD funding; and

WHEREAS, under the Agency's MTW FY 2024 Annual Plan Local Project Based Voucher Program (Activity 2024-02), the RHA provides project-based vouchers to assist in providing additional housing choice for low-income families and to allow RHA to make additional dwelling units available and, under the same activity, RHA is able to have the Board of Commissioners assign these vouchers.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Commissioners of the Housing Authority of the City of Reno as follows:

1. That the Executive Director is authorized to assign eight (8) Project Based Vouchers to Pinyon Apartments, 1120 E. Moana Avenue, Reno, Nevada, and execute a 20-year Housing Assistance Payments (HAP) contract.
2. This Resolution is to be effective upon the date of its adoption.

ADOPTED THIS 22 DAY OF August, 2023.

ATTEST:

CHAIRPERSON

SECRETARY

RENO HOUSING AUTHORITY

AGENDA ITEM NUMBER: 5

August 22, 2023

SUBJECT: Commissioners Reports

FROM: Commissioners

RECOMMENDATION: Discussion

RENO HOUSING AUTHORITY**AGENDA ITEM NUMBER: 6****August 22, 2023**

SUBJECT: Executive Director/Secretary's Report. (Discussion)

FROM: Executive Director

RECOMMENDATION: Discussion

A. Update on Agency Activities

- RHA's affiliate, Washoe Affordable Housing Corporation (WAHC), was awarded \$233,200 from the State of Nevada Housing Division to expand its Homeless Prevention Program. The award includes \$220k for emergency rental assistance and \$13,200 for program administration. This year's award represents a substantial increase in funding; WAHC received \$75k in 2022. The increased funding enables WAHC to serve more households and provide a broader range of assistance.
- RHA was awarded seven (7) additional housing choice vouchers and 125 additional Veterans Affairs Supportive Housing vouchers from the US Department of Housing and Urban Development. The staff is determining how many of the vouchers can be project-based to partners once received.
- Executive staff met with the Sparks City Manager, Assistant Manager, and leadership team to discuss ways to better partner on housing and affordable housing issues. This was the first quarterly meeting between the organizations.
- The executive staff is continuing discussions with First Independent Bank and Nevada State Bank on potential ways to monetize and leverage the scattered site portfolio. Follow-up meetings were scheduled for August 21st. Further information will be provided to the Board as soon as available.
- Staff continued the Yardi software conversion. Asset Management and Rental Assistance have started utilizing the new system and finance is transitioning to Yardi over the next few weeks.
- A Resident Advisory Board meeting was held on August 16th. At the meeting, staff explained proposed changes to the Admissions and Continued Occupancy Plan (ACOP) for public housing and the Administrative Plan for the Housing Choice and Project Based Voucher Program. Development staff also gave an overview of the Section 18 Disposition application for Hawk View and answered questions on the project. Questions on Hawk View were primarily around relocation and staff reiterated that residents would receive relocation assistance and that Housing to Home was hired to work one-on-one with tenants. All documents are available for resident review.
- The Director of Asset Management and/or Asset Management Administrator attended all the August resident council meetings to discuss proposed changes to the ACOP and Administrative Plan and answer questions. Many residents were supportive of, and understood the need for, the changes.

- The Executive Director attended the Hawk View resident council meeting to provide an update on the redevelopment project and answer questions. Staff are also working to create a webpage on the RHA website for residents to easily access key documents related to the project. In the interim, documents are available in the property manager's office and/or have been emailed, if requested.
- The Director of Development attended the Silverada Manor resident council meeting to provide an update on the renovation project and answer questions. Staff are also working to create a webpage on the RHA website for residents to easily access key documents related to the project. In the interim, documents are available in the property manager's office and/or have been emailed, if requested.
- The Essex Manor playground improvements and after school program celebration is August 29th at 4 pm.
- The Executive Director recorded a podcast for Our Town Reno.
- The Executive Director was interviewed for a Novogradac article spotlighting the Reno metro area's housing market.
- The Resident Services team is putting the donations received from RHA Commissioners and other elected officials to great use. Below is a brief update on the use of these funds.
 - Celebrate our residents who are 90+ years of age with cake and a gift.
 - Provide holiday gifts for senior residents.
 - Purchased medical supplies and protective wear for incontinence for senior residents.
 - Created an emergency fund to purchase items such as shoes, jackets, and other necessities for senior residents.
 - Started a senior fitness program with multiple fitness classes scheduled throughout September. Funds will help purchase equipment so seniors can participate. Community members have offered to teach most classes pro bono which enables the donated funds to go even further.

B. Update on Rental Assistance Voucher Programs / Asset Management

Rental Assistance Voucher Programs

Voucher Type	Total Voucher Baseline	Vouchers Leased as of 7/5/22	Percent Leased	Vouchers Issued Not Yet Leased
Housing Choice Voucher	2,477	2,245	91%	159
VASH	416	279	67%	63
EHV	137	99	72%	18
FYI	15	6	40%	4

Number HQS Inspections Conducted by Month	
June 2023	201

Housing Choice Vouchers (HCV)

Description: Vouchers used by clients to lease a unit in Washoe County of their choosing. Applicants are pulled from the RHA HCV Waitlist. These vouchers also include Project Based Vouchers. The RHA has chosen to Project Base 107 of our HCV's to assist special populations obtain housing. Of the total 107 PBV units, 95 are assigned to RHA owned properties.

Lease-Up Expectations: Although total voucher allocation is 2524, HUD has set the agency's leasing expectation at 2382 (AKA RHA's MTW Baseline), which is the maximum leasing expectation set by HUD when RHA signed its MTW Contract. Funds provided by HUD to support the HCV program are also used to support the agency's MTW activities and therefore full lease up of all 2524 vouchers is not expected or suggested by HUD.

Veteran's Affairs Supporting Housing Vouchers (VASH)

Description: Vouchers allocated by HUD with an ongoing partnership with the VA to serve homeless veterans. The VA provides case management services to participants. The VA makes direct referrals to RHA of eligible clients and the RHA provides a VASH voucher. Currently, RHA has project-based 9 of these vouchers.

Emergency Housing Vouchers (EHV)

Description: Vouchers allocated by HUD for the specific purpose of assisting homeless individuals or families or those at risk of homelessness in obtaining housing. RHA is partnering with four local agencies (Catholic Charities, Health Plan of Nevada, Washoe County Human Services-Our Place and Volunteers of America) that have experience providing services to this population. Referrals for the program must come from the regional Continuum of Care (CoC) coordinated entry system. Direct referrals are received by the RHA from the partnering agency and the RHA provides the EHV voucher.

Foster Youth to Independence Vouchers (FYI)

Description: Voucher allocated by HUD for the specific purpose of assisting foster youth aging out of the foster care system. RHA is partnering with Washoe County Human Services and Eddy House to provide referrals and case management to clients. Direct referrals are received by the RHA from the partnering agency and the RHA provides the FYI voucher.

Asset Management

- Asset Management has selected a Maintenance I candidate that is currently going through the pre-employment process. The one vacant Assistant Manager position was posted during the month of July. Interviews should take place in August for that position.
- Maintenance staff continue teaming up on Thursdays to complete weed removal and trimming at all sites. They also started preparing for the upcoming winter season by scheduling annual servicing of our snow equipment, ordering ice melt, sand, and pre-emergent.
- Management and Maintenance staff continue to practice in Yardi to retain the knowledge from training conducted earlier this year. Staff have focused on completing the set-ups needed to ensure a successful go-live.
- During the month of July, a Mobility Demonstration Program lottery was conducted, and the lottery winners were notified. Staff are working on showing the available units to the residents in efforts to transition 2 public housing members to a mobility unit in August or September.
- Public Housing ended the month of June with 43 vacancies for an overall occupancy rate of 94.05% across all sites. In July, six residents vacated their unit, and two units were leased.

C. Update on Workforce Development, Elderly Services, and youth activities

Department Updates

- Staff met individually with community partners **Junior Achievement, Boys & Girls Club of Truckee Meadows, Nevadaworks, Nevada Women's Fund, and Children's Cabinet** to discuss current overlapping services and future partnership expansion ideas.

Elderly Services

- Staff held a 50's-themed event with an outdoor showing of the movie Grease at Silverada Manor in honor of the start of Hot August Nights.
- Staff met with the new **City of Reno** Senior Coordinator to familiarize ourselves with each other's programs and discuss future partnership opportunities.

Workforce Development (WFD)

- **Opportunity Alliance Nevada** will be holding a graduation event for "Getting Ahead" graduates on August 29, 2023. Staff will provide the Board of Commissioners with details once finalized.
- Staff is beginning to plan for calendar year 2024. In addition to workshops, staff plans to implement networking events for residents, job fairs, and another post-secondary fair.

Youth/Family Activities

- RHA partnered with **SWAAG Foundation, Raising Cane's, and Northern Nevada Barber Academy** to host the annual back to school event for RHA youth. All youth in attendance received backpacks with school supplies, free haircuts/styles, and participated in art projects and other fun activities to prepare for the start of the school year.
- Staff looks forward to the **4-H** afterschool program commencing August 21, 2023, at Essex Manor. The afterschool program is open to all RHA youth that need a safe place to enjoy enrichment activities and get a warm meal after school.

Resident Councils

- Resident Council meetings this month included guests from RHA's Asset Management, Development, and Executive departments to share proposed changes to the agency's Admissions and Continued Occupancy Plan (ACOP), Rental Assistance Admin Plan, and repositioning schedules.

** The Authority's community partners are designated in bold within the Update on Elderly Services, Workforce Development, and youth activities headers.*

D. Update on Public Affairs Activities

Traditional Media, Social Media

- Promoting several summer camps, vaccine clinics, back-to-school events and initiatives on social media
- PACT Act/HUD initiative
- We're hiring posts

Opportunity Knocks Magazine

- Staff is compiling final corrections and will send to Reno Type.

Other

- Continued planning on the unveiling of the new playground at Essex Manor. Coupling the event with the new after-school-care partnership with 4-H and the Food Bank of Northern Nevada. Date is set for Tuesday, August 29.
- Completed quarterly employee newsletter.
- UNR political science department came back with some changes, so we're revamping our scope of work for the RHA history project.
- Continuing planning with Nevada Rural Housing Authority for media/comms training for executive level staff. Tentatively set for early November.
- Quarterly Celebrity Homes Tour for new RHA employees completed August 3.
- In initial planning stages for November 80th anniversary employee event.
- Have begun working on the 2024 RHA calendar.

E. Update on Development ActivitiesSilverada Manor & Hawk View Redevelopment

- Staff and Brinshore Development have kicked-off projects with design meetings and are in the process of drafting Developer Agreements. The goal is to have the agreements finalized and ready for BOC approval in early September.
- Received the Authority to Use Grant Funds from HUD for the Hawk View project on August 11, marking the completion of the HUD ER process. Silverada is currently in the process and submission to HUD is expected by mid-September.
- Request for the City of Reno's tax-exempt bond volume cap for Hawk View and Silverada was submitted in July. Hawk View's request will be brought to Reno City Council on August 23 and Silverada's in early September.

Dick Scott Manor

- Site work began in July and has steadily continued throughout August.
- Staff began working on Subsidy Layering Review packet for the project-based vouchers that will be assigned to the project.

419 10th Street

- Environmental Review period ended on August 11
- Issued Notice of Suitability to seller on August 11 and aiming to close on purchase of land in late August/early September.
- IFB for the project's General Contractor was released in mid-July. The IFB has received strong interest and had a well-attended pre-proposal conference on August 17. Bids will be opened on September 5 and the goal is to enter into a contract with the selected GC by mid-September.

- Staff continues to work on documents needed to close on HOME-ARP award as well as Subsidy Layering Review packet for the project-based vouchers that will be assigned to the project.

Stead Manor

RFQ for CMAR closed on August 21. The RFQ received a lot of interest with 11 plan holders and 4 firms that attended bidder's conference. The evaluation began review on August 22 and the top 3 candidates will be selected based on scoring of Statement of Qualifications (SOQ). The top candidates will be interviewed on.

F. Update on Information Technology activities

- The IT team continues to work with RHA, Yardi and Wise Consulting staff on the implementation of Yardi Voyager which will take the place of RHA's current database, Emphasys Elite. Data for the Rental Assistance, Asset Management and Admissions departments was loaded into Yardi Voyager the week of July 24, 2023, with data verification taking place in all referenced departments since that time. Because of RHA's MTW status, setups have to be verified for accurate application as well. This process is taking longer than expected, but extra time verifying accurate processing will benefit the agency in the long run. Finance data will be loaded into the live Voyager environment in late August. The Finance team will begin fully working in Voyager no later than September 1, 2023.
- As staff complete Phase I of Yardi Voyager implementation in August, Phase II will begin in late September or early October, which includes additional modules not vital to the agency's day-to-day activities, but that will ensure long-term efficiencies.
- Due to the significant impact the scale of a software conversion has on any agency undergoing one, staff and consultants will be working together through August and September to work through new procedures and ensure smooth workflows utilizing the new software. This process, in addition to finance staff and Nan McKay consultant, John Murphy, preparing to submit RHA's unaudited FDS submission, will impact the finance department's ability to prepare a financial report for the September Board meeting. Presentation of a financial report will resume for the October Board meeting.
- In addition to the database conversion, IT staff continues to work on scanning oversight, workflow creation and general operation of Laserfiche software. IT staff have done a remarkable job keeping the agency running smoothly from a technical standpoint since the resignation of IT Director, Samantha Arellano, in early June. RHA staff at all levels remain excited by IT software implementations that will ultimately result in increased efficiency agency wide.
- Finally, Josh Stice was selected as RHA's new Director of Information Technology. Josh will work with his supervisor, Heidi McKendree, to learn the duties of his new position throughout the coming months.

G. Update on MTW Activities

FY 2024 Annual MTW Plan

- RHA received comments from HUD on the FY 2024 Annual MTW Plan, submitted March 31, 2023. A few minor updates to the plan were required from HUD prior to plan approval. Updates to the plan were submitted to HUD on July 13, 2023. Following resubmission, RHA was notified that the final approval letter would be sent in the coming weeks.

FY 2023 Annual MTW Report

- Preparation for RHA's annual MTW Report to HUD is underway with data continuing to be pulled on all implemented MTW activities. Until the new software system is in place, most of the required data needs to be pulled manually by looking up every household assisted by RHA multiple times. To date, detailed information has been pulled for families paying minimum rent, those undergoing triennial recertifications and households receiving RHA's standardized utility allowances in the HCV program. Detailed demographic information has also been compiled on all public housing residents and rental assistance households.
- Data analysis is conducted and used to gauge whether activities within RHA's MTW program have been successful over the past year. Data is also used to demonstrate areas where an activity should be amended to ensure continued success. All data analyses for FY 2023 will be finalized and submitted to HUD in the Annual MTW Report due by September 30.
- Completed surveys and internal data on current and prior Mobility Demonstration participants have been sent to Rebecca J. Walter, PhD, at the University of Washington (UW). Details including household income, family composition, and employment status of each household will be used by UW to evaluate the overall progress of these families and the Demonstration program overall. This analysis is a requirement of RHA's MTW participation and will be included in the annual MTW report to HUD.

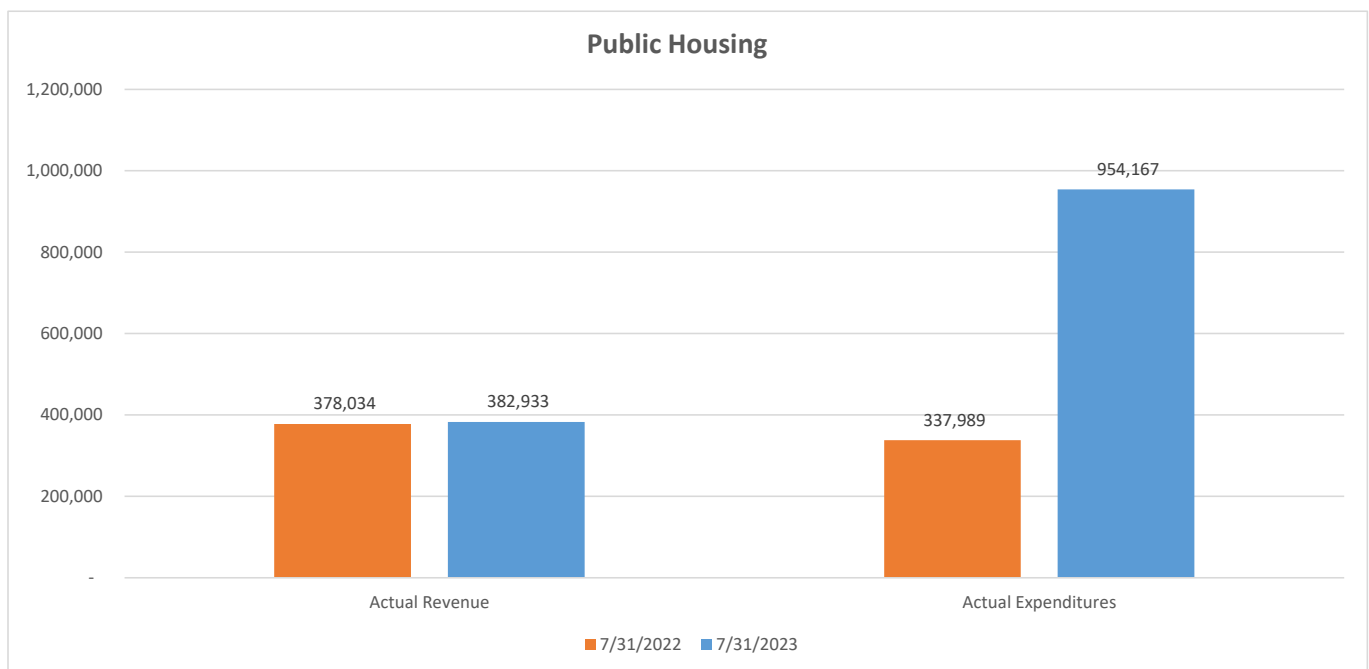
FY 2022 Compliance Determination

- RHA received preliminary numbers from HUD regarding the statutory requirement that MTW agencies serve substantially the same number of families had they not participated in the MTW demonstration. HUD scored RHA at 92% with a determination of "Substantially Compliant – Plan in Place" for FY 2022. HUD noted that RHA ended FY 2022 at 242 families below the adjusted baseline. Baseline numbers for this determination include Public Housing, Housing Choice Voucher participants, and any Local Non-Traditional Activities.

H. Financials

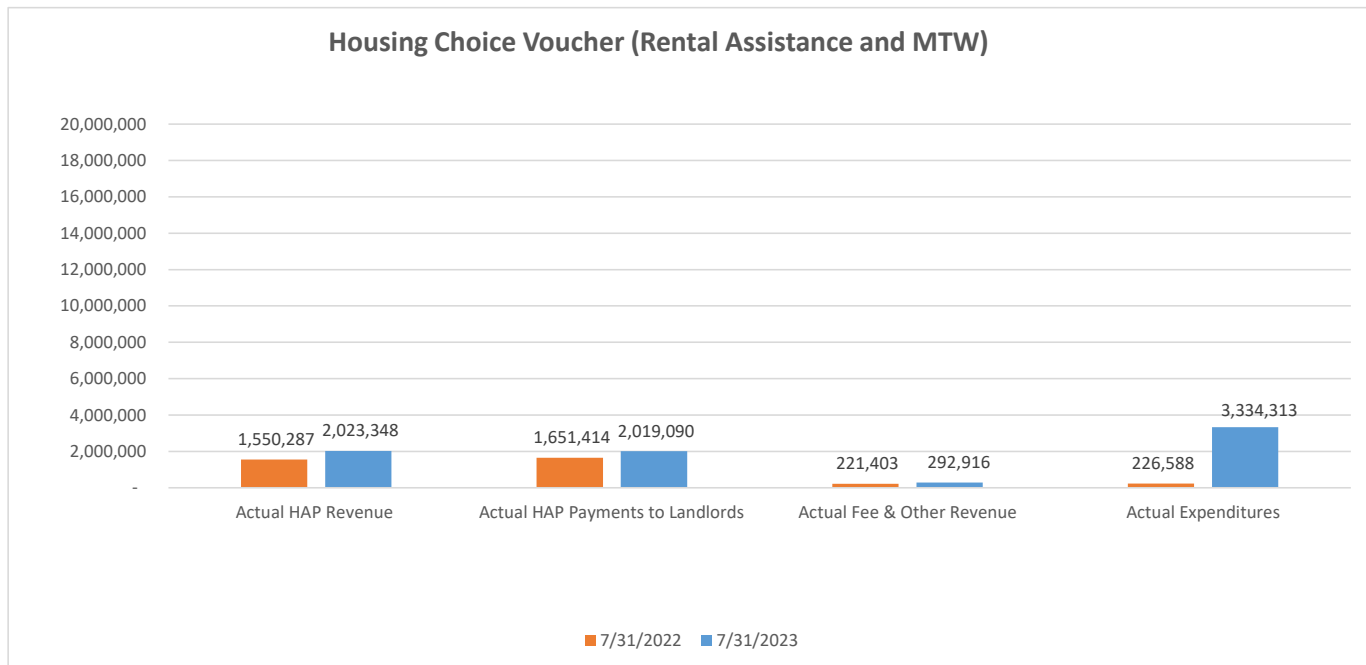
ENTITY-WIDE FINANCIAL REPORT
FOR THE 1 MONTH ENDED JULY 31, 2023

Public Housing	7/31/2023	7/31/2022	Variance Favorable (Unfavorable)	Variance Percentage
Actual Revenue	382,933	378,034	4,899	1.30%
Budgeted Revenue	440,365	389,070	51,295	13.18%
Actual Expenditures	954,167	337,989	616,178	182.31%
Budgeted Expenditures	551,049	473,808	77,241	16.30%
Actual Surplus (deficit)	(571,233)	40,045	(611,278)	-1526.48%



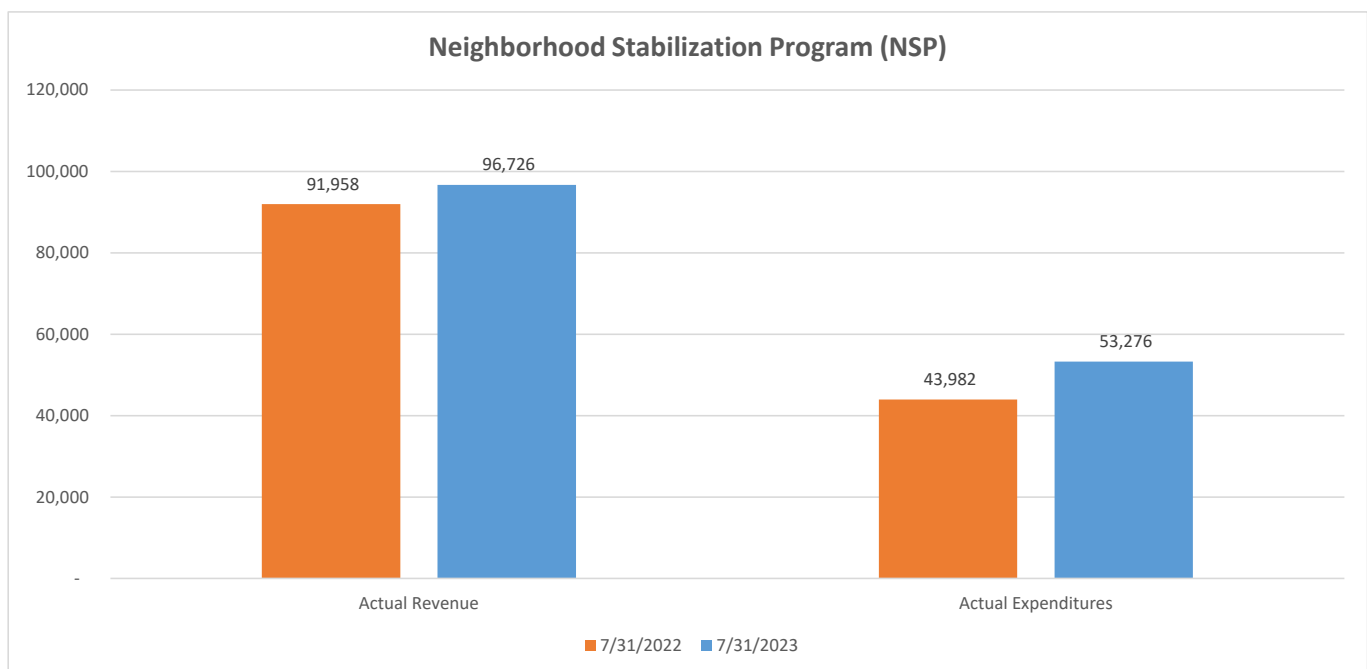
ENTITY-WIDE FINANCIAL REPORT
FOR THE 1 MONTH ENDED JULY 31, 2023

Housing Choice Voucher (Rental Assistance and MTW)	7/31/2023	7/31/2022	Variance Favorable (Unfavorable)	Variance Percentage
Actual HAP Revenue	2,023,348	1,550,287	473,061	30.51%
Budgeted HAP Revenue	2,329,181	2,132,717	196,464	9.21%
Actual HAP Payments to Landlords	2,019,090	1,651,414	367,676	22.26%
Budgeted HAP Payments to Landlords	2,057,996	2,102,076	(44,080)	-2.10%
Actual Fee & Other Revenue	292,916	221,403	71,513	32.30%
Budgeted Fee & Other Revenue	250,149	222,716	27,433	12.32%
Actual Expenditures	3,334,313	226,588	3,107,725	1371.53%
Budgeted Expenditures	435,722	282,839	152,883	54.05%
Actual Surplus (deficit)	(3,037,139)	(106,312)	(2,930,827)	2756.82%



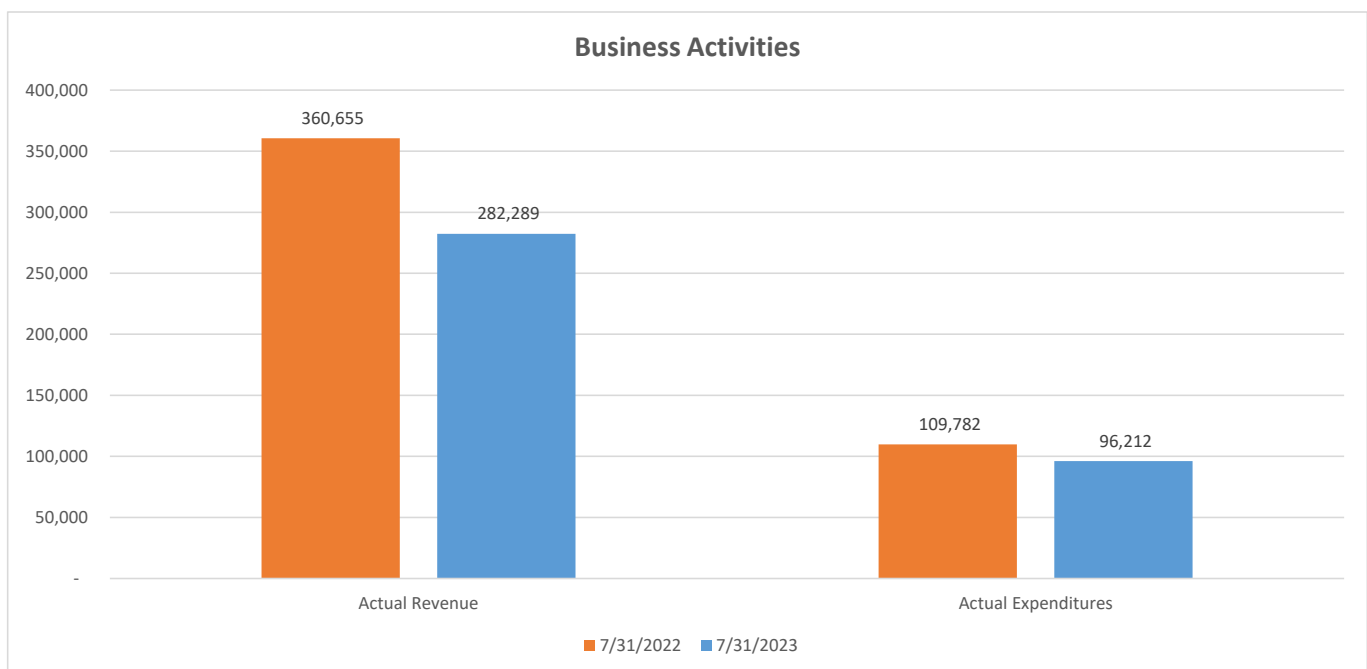
ENTITY-WIDE FINANCIAL REPORT
FOR THE 1 MONTH ENDED JULY 31, 2023

Neighborhood Stabilization Program (NSP)	7/31/2023	7/31/2022	Variance Favorable (Unfavorable)	Variance Percentage
Actual Revenue	96,726	91,958	4,768	5.18%
Budgeted Revenue	117,674	99,517	18,157	18.25%
Actual Expenditures	53,276	43,982	9,294	21.13%
Budgeted Expenditures	69,999	57,313	12,686	22.13%
Actual Restricted Surplus (deficit)	43,450	47,976	(4,526)	-9.43%



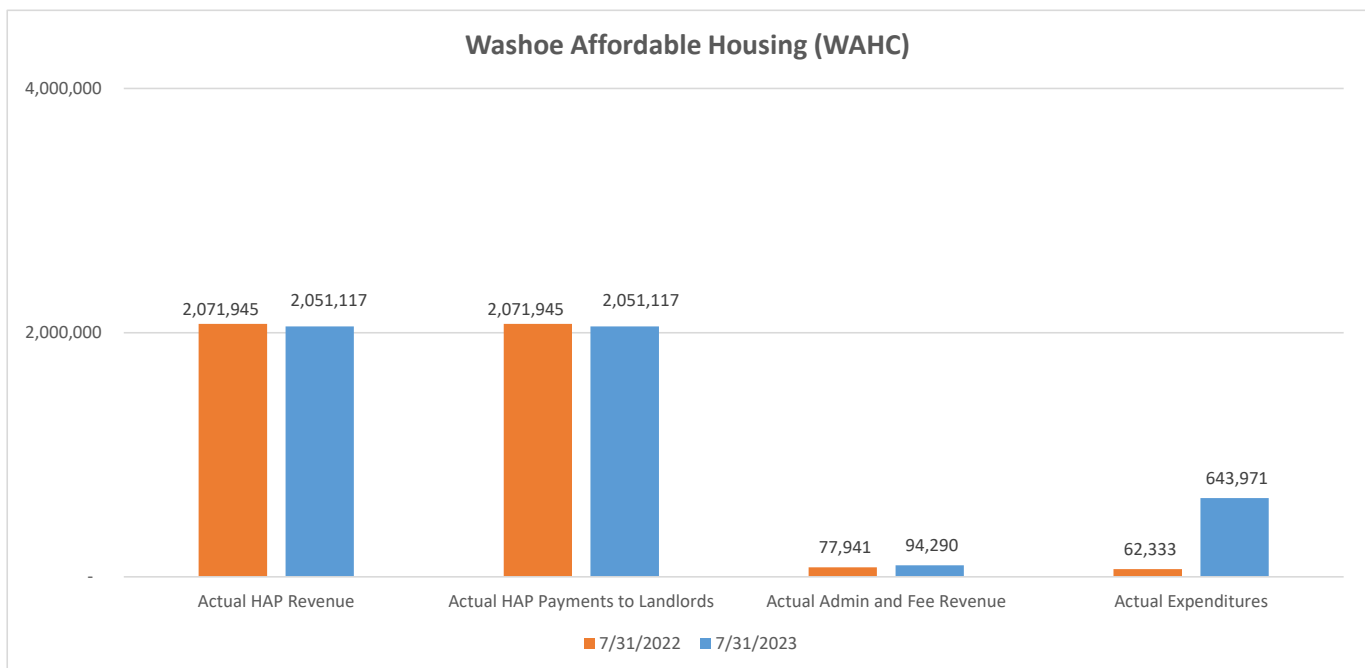
ENTITY-WIDE FINANCIAL REPORT
FOR THE 1 MONTH ENDED JULY 31, 2023

Business Activities	7/31/2023	7/31/2022	Variance Favorable (Unfavorable)	Variance Percentage
Actual Revenue	282,289	360,655	(78,366)	-21.73%
Budgeted Revenue	330,494	341,457	(10,963)	-3.21%
Actual Expenditures	96,212	109,782	(13,570)	-12.36%
Budgeted Expenditures	141,090	143,424	(2,334)	-1.63%
Actual Unrestricted Surplus (deficit)	186,076	250,873	(64,797)	-25.83%



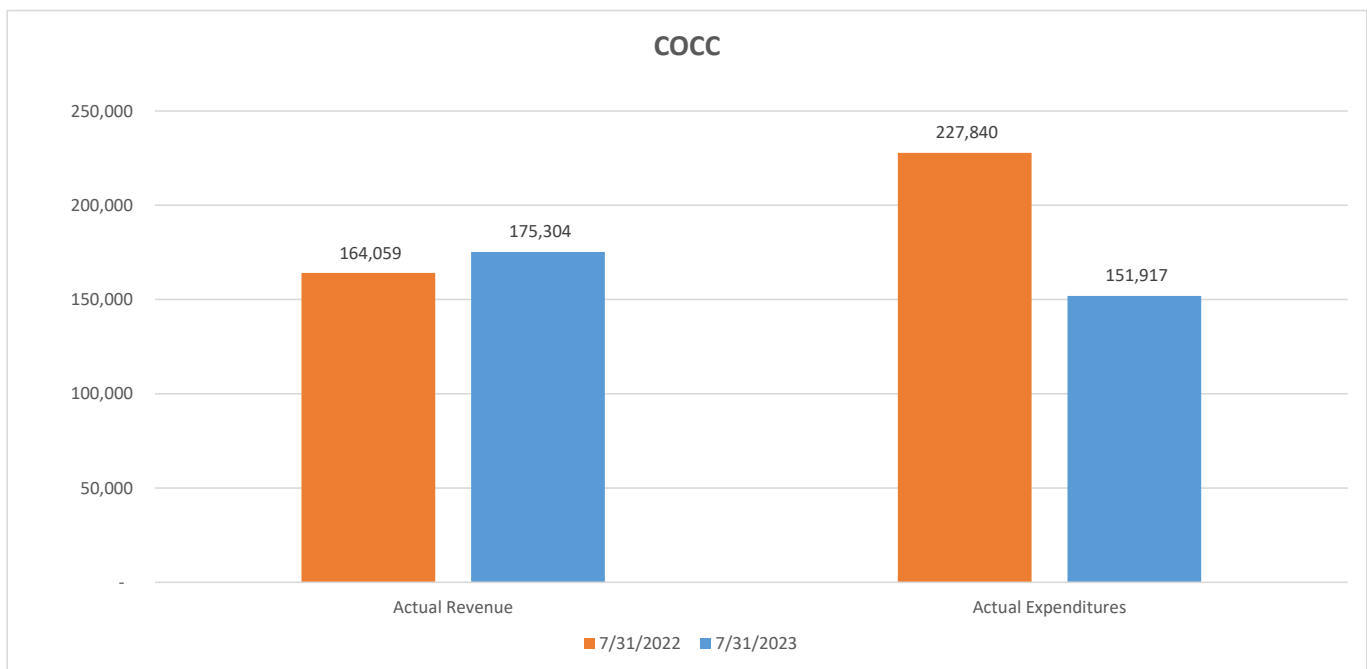
ENTITY-WIDE FINANCIAL REPORT
FOR THE 1 MONTH ENDED JULY 31, 2023

Washoe Affordable Housing (WAHC)	7/31/2023	7/31/2022	Variance Favorable (Unfavorable)	Variance Percentage
Actual HAP Revenue	2,051,117	2,071,945	(20,828)	-1.01%
Budgeted HAP Revenue	2,234,657	2,144,774	89,883	4.19%
Actual HAP Payments to Landlords	2,051,117	2,071,945	(20,828)	-1.01%
Budgeted HAP Payments to Landlords	2,234,657	2,144,774	89,883	4.19%
<i>HAP Surplus (Deficit)</i>	-	-	-	0.00%
Actual Admin and Fee Revenue	94,290	77,941	16,349	20.98%
Budgeted Admin and Fee Revenue	85,934	86,085	(151)	-0.18%
Actual Expenditures	643,971	62,333	581,638	933.11%
Budgeted Expenditures	66,032	58,963	7,069	11.99%
<i>Unrestricted Profit (Loss)</i>	<i>(549,681)</i>	<i>15,608</i>	<i>(565,289)</i>	<i>-3621.79%</i>
Actual compared to budget	(549,681)	15,608	(565,289)	-3621.79%



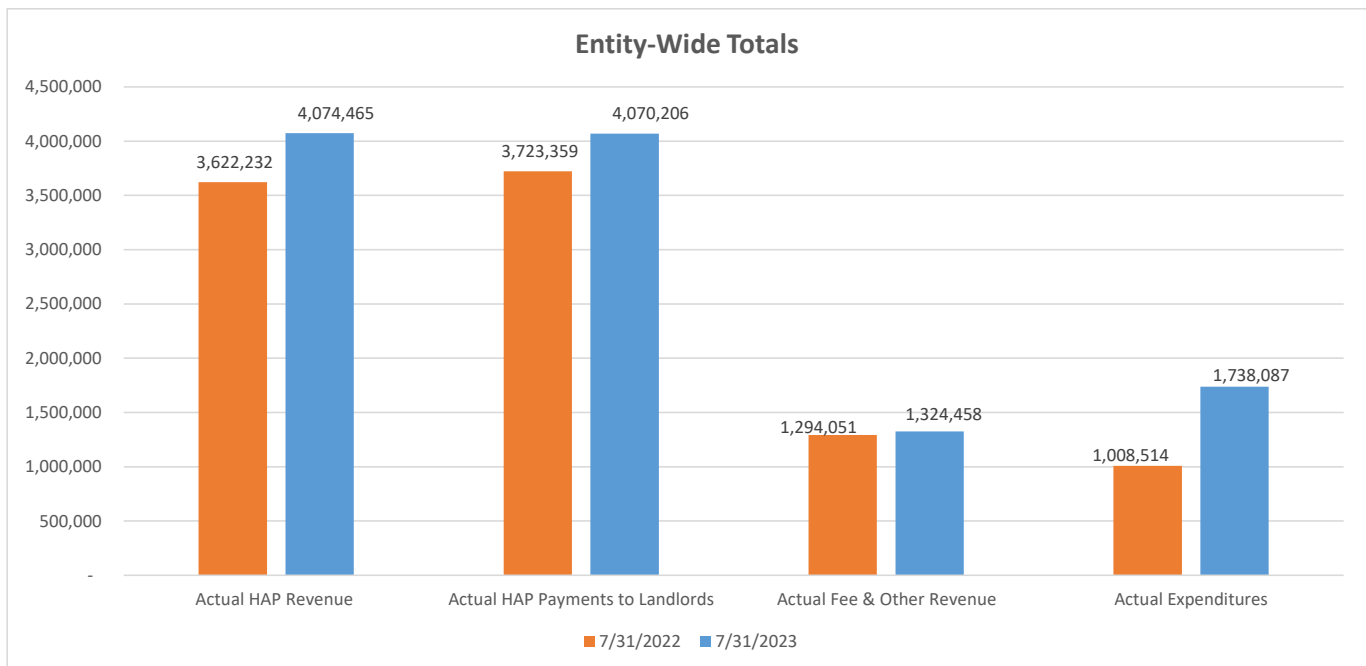
ENTITY-WIDE FINANCIAL REPORT
FOR THE 1 MONTH ENDED JULY 31, 2023

COCC	7/31/2023	7/31/2022	Variance Favorable (Unfavorable)	Variance Percentage
Actual Revenue	175,304	164,059	11,245	6.85%
Budgeted Revenue	182,325	198,533	(16,208)	-8.16%
Actual Expenditures	151,917	227,840	(75,923)	-33.32%
Budgeted Expenditures	258,944	323,142	(64,198)	-19.87%
Actual Unrestricted Surplus (deficit)	23,388	(63,781)	87,169	-136.67%



ENTITY-WIDE FINANCIAL REPORT
FOR THE 1 MONTH ENDED JULY 31, 2023

Entity-Wide Totals	7/31/2023	7/31/2022	Variance Favorable (Unfavorable)	Variance Percentage
Actual HAP Revenue	4,074,465	3,622,232	452,233	12.48%
Budgeted HAP Revenue	4,563,838	4,277,491	286,347	6.69%
Actual HAP Payments to Landlords	4,070,206	3,723,359	346,847	9.32%
Budgeted HAP Payments to Landlords	4,292,653	4,246,851	45,802	1.08%
<i>HAP Surplus (Deficit)</i>	<i>4,258</i>	<i>(101,127)</i>	<i>105,385</i>	<i>-104.21%</i>
Actual Fee & Other Revenue	1,324,458	1,294,051	30,407	2.35%
Budgeted Fee & Other Revenue	1,406,941	1,337,377	69,564	5.20%
Actual Expenditures	1,738,087	1,008,514	729,573	72.34%
Budgeted Expenditures	1,522,837	1,339,490	183,347	13.69%
<i>Unrestricted Profit (Loss)</i>	<i>(413,629)</i>	<i>285,537</i>	<i>(699,166)</i>	<i>-244.86%</i>
Actual Surplus (deficit)	(409,371)	184,410	(593,781)	-321.99%



RENO HOUSING AUTHORITY**AGENDA ITEM NUMBER: 7****August 22, 2023**

SUBJECT: Discussion and possible action to authorize the Executive Director to execute the City of Sparks Grant Program Contract for Emergency Rental Assistance in the total amount of \$2,910,000 (\$1,455,000 for FY2023-2024 and \$1,455,000 FY2024-2025). (For Possible Action)

FROM: Executive Director

RECOMMENDATION: For Possible Action

Background:

The City of Sparks received an annual allocation of \$1.5 million in funding for FY2023-2024 and FY 2024-2025 from the State of Nevada through AB396 for emergency rental assistance. Executive staff has met with City of Sparks staff regarding administering their emergency rental assistance (ERA) given RHA's experience, and success, with operating ERA programs during COVID. City staff recommended using RHA to administer their program to the City of Sparks Council at their August 14, 2023, meeting and Council was supportive.

Given this, Sparks' counsel drafted the attached Grant Program Contract for review and approval. RHA counsel has reviewed the Contract and provided comments which were incorporated. Under the terms of the Contract, the RHA would:

- Receive \$1,455,000 for each fiscal year to administer the program. This amount includes an annual \$150,000 fee for administration of the program (10% of the \$1.5M).
- Serve eligible households within the City of Sparks with incomes at or below 80% of area median income (AMI) based on the current US Department of Housing and Urban Development published AMI for Washoe County.
- Adhere to the program requirements described in Exhibit 1 of the Contract.
- Expend or incur all funds by June 30 of each fiscal year. Unused funds will be returned to the City of Sparks for return to the State of Nevada.
- Expend fifty percent (50%) of the FY2023-2024 funds by February 28, 2024, and fifty percent (50%) of the FY2024-2025 funds by December 31, 2024.
- Meet monitoring requirements for continued use of the funds.

As stated above, RHA will receive an administrative fee for administering the program. This will enable RHA to cover staff and overhead fees. Staff has determined that RHA has the capacity to quickly implement this program given the rental assistance department's past participation with, and knowledge of, ERA programs. Depending upon current workloads, additional staff may be needed. Therefore, as part of this approval, the Executive Director is requesting authorization to hire temporary line or supervisory staff, as needed and within the administrative fee allowance, for the management of this program.

Administering this program enables RHA to expand the scope of services it provides to the community and aligns with the Board of Commissioners' stated desire at its retreat to increase partnerships to leverage resources and improve RHA's perception in the community. It also enhances the ongoing homeless prevention services currently provided

through Washoe Affordable Housing Corporation. If the Board approves the Contract, RHA executive staff will also work with the State of Nevada Housing Division to determine if the homeless prevention program can be transferred from WAHC to RHA to create the most synergy and administrative efficiency.

Representatives from the City of Sparks are attending today's meeting to answer questions.

Staff Recommendation:

Staff recommends the Board of Commissioners approve the City of Sparks Grant Program Contract for Emergency Rental Assistance and authorize the Executive Director to execute the Contract and hire staff as needed.

CITY OF SPARKS, NEVADA
GRANT PROGRAM CONTRACT
ASSEMBLY BILL 396 FUNDED RENTAL ASSISTANCE PROGRAM

THIS AGREEMENT TO USE FUNDS APPROPRIATED TO THE CITY OF SPARKS THROUGH ASSEMBLY BILL 396 ("Agreement") is made and entered by and between the Housing Authority of the City of Reno ("RHA"), and the City of Sparks ("City"), collectively the ("Parties").

WHEREAS, Assembly Bill 396 (AB396) was passed during the 82nd Session of the Nevada Legislature and became effective July 1, 2023 and appropriates a total of \$18,000,000 in funding from the State of Nevada General Fund for the purpose of providing rental assistance in Clark County and the cities of Reno and Sparks; and

WHEREAS, it is anticipated that the State of Nevada will appropriate \$3,000,000 of funding, \$1,500,000 in Fiscal Year ("FY") 2023-2024 and \$1,500,000 in FY 2024-2025, to the City of Sparks; and

WHEREAS, the State of Nevada and the City Council of the City of Sparks have determined that providing rental assistance to households that are persons who are elderly, persons with disabilities, and families or persons facing an unanticipated emergency is necessary to prevent eviction of households struggling financially and has made funding available to the City for the purposes of developing of a residential rental assistance Program; and

WHEREAS, the City has determined a need for rental assistance and is responsible for the planning, administration, implementation, and evaluation of a rental assistance program ("Program") which provides money for rent in order to prevent evictions; and

WHEREAS, the RHA is a municipal corporation of the State of Nevada and provides rental assistance to households residing in Washoe County; and

WHEREAS, the City desires to allocate its AB396 funding that it receives from the State of Nevada ("Funds") to the RHA to administer a rental assistance program on behalf of the City of Sparks to prevent households within the Sparks City limits from being evicted; and

NOW, THEREFORE, in consideration of the foregoing premises, be it agreed between the City and RHA that AB396 Funds once received from the State of Nevada will be made available to RHA, subject to rights and responsibilities of the Parties, and the following conditions and limitations:

1. SCOPE OF SERVICES

- a. The City will provide to RHA Funds not to exceed \$1,455,000 for the period of July 1, 2023 to June 30, 2024 and not to exceed \$1,455,000 for the period July 1, 2024 to June 30, 2025, for RHA's use to assist eligible households residing within the corporate boundary of the City of Sparks with rental assistance. Households eligible to receive assistance under the Program must be persons who are elderly, persons with disabilities and families or persons facing an unanticipated emergency. Household income must be at or below 80% of area median income based on the current United States Housing and

Urban Development (HUD) Published Area Median Income for Washoe County-Reno, NV MSA. Additional Program requirements are further described in Exhibit 1 – AB396 Rental Assistance Policy Manual.

- b. RHA agrees to administer an Eviction Prevention Rental Assistance Program and a Short-term Senior Rental Assistance Program.
- c. As detailed in Section 1.7 of AB396, the City of Sparks anticipates receiving \$1,500,000 for the FY 2023-2024. All Funds for FY 2023-24 must be expended or incurred by June 30, 2024. Any Funds not incurred by this date must be returned to the State of Nevada General Fund by the City, and therefore, the City will require unused Funds in the RHA's possession on June 30, 2024 be returned to the City.
- d. As detailed in Section 1.7 of AB396, the City of Sparks anticipates receiving \$1,500,000 for the FY 2024-2025. All Funds for FY 2024-25 must be expended or incurred by June 30, 2025. Any Funds not incurred by this date must be returned to the State of Nevada General Fund by the City, and therefore, the City will require unused Funds in the RHA's possession on June 30, 2025 be returned to the City.
- e. RHA agrees that any program costs, unless otherwise specified, exceeding \$2,910,000 (\$1,455,000 in FY 2023-2024 and \$1,455,000 in FY 2024-2025) pursuant to this Agreement, will be the responsibility of RHA. An amount not to exceed ten percent (10%) of the Funds conveyed pursuant to this Agreement may be used for actual Program delivery costs. The City, in its sole discretion, may approve the expenditure of such Funds for Program delivery costs. As used in this section, "Program delivery costs" include, without limitation, costs incurred by RHA that can be directly related to the administration of the Funds, such as increasing staff to carry-out the Program and related overhead costs. Alternatively, the RHA may propose and the City may approve a set fee per application processed based on an estimated number of applications with a total maximum Program delivery cost amount not to exceed ten percent (10%) of the Funds conveyed pursuant to this Agreement. In the event the Parties agree to an up-front estimated Program delivery cost fee, RHA agrees that it will provide checks, payroll records, time records, invoices, contracts, vouchers, orders and other accounting documents evidencing RHA's Program delivery costs actually incurred for each FY. Such documentation shall be made available to the City each year on or before May 1 of each FY to ensure proper Program delivery costs are being allocated by the June 30 end of each FY.
- f. Changes in the Scope of Services as outlined herein must be made by written amendment to this Agreement and approved by both Parties.
- g. RHA may not assign or delegate any of its rights, interests, or duties under this Agreement without the prior written consent of the City. Any such assignment or delegation made without the required consent shall be voidable by the City, and may, at the option of the City, result in the forfeiture of all financial support provided herein.

2. PROGRAM REPORTING

- a. The City of Sparks agrees to allocate Funds actually received from the State of Nevada as provided for in this Agreement to enable RHA to provide rental assistance under the Program. The City shall meet with residents to complete the initial application. After initial intake of applications, the City will not have any further involvement with the services provided, except the provision of financial support, monitoring, and the receipt of such reports as are provided for herein. If any relationship to such services on the part of the City may be claimed or found to exist, RHA shall be an independent contractor only.
- b. RHA will provide the City with household usage records on a monthly basis during the period of this Agreement. Calendar month reports will be provided via electronic mail to the designated City employee no later than 15 days after the end of the previous month. These records will contain, but are not limited to, the following data:
 - i. Eviction Prevention
 1. Total households served; and
 2. Rent charged for each household served; and
 3. Name of each head of household served; and
 4. Address of each household served; and
 5. Number of persons who are disabled served; and
 6. Number of persons who are elderly (62 or older) served; and
 7. Number of families served; and
 8. Number and percentage of low-income (80%), very low-income (50%) and extremely low-income (30%) households served; and
 9. Number of persons in each household served; and
 10. Racial breakdown of household served including Black or African American, White, American Indian or Alaskan Native, Asian and Native Hawaiian, Pacific Islander or decline to answer; and
 11. Household is or is not Hispanic or decline to answer; and
 12. Total amount paid during the reporting period.
 - ii. Senior (62 or older) Short-term Rental Assistance
 1. Total households served; and
 2. Rent charged for each household served; and
 3. Name of each head of household served; and
 4. Address of each household served; and
 5. Number and percentage of low-income (80%), very low-income (50%) and extremely low-income (30%) households served; and
 6. Number of persons in each household served; and
 7. Racial breakdown of household served including Black or African American, White, American Indian or Alaskan Native, Asian and Native Hawaiian, Pacific Islander or decline to answer; and
 8. Household is or is not Hispanic or decline to answer; and

9. Total amount paid during the reporting period.

3. FINANCIAL MANAGEMENT

- a. RHA agrees, that all costs of any recipient receiving Funds pursuant to this Agreement, shall be recorded by budget line items and be supported by checks, payrolls, time records, invoices, contracts, vouchers, orders and other accounting documents evidencing in proper detail the nature and propriety of the respective charges, and that all checks, payrolls, time records, invoices, contracts, vouchers, orders or other accounting documents which pertain, in whole or in part, to the Program shall be thoroughly identified and readily accessible to the City.
- b. Not more than 15 days after the City receives the Funds from the State of Nevada and after the commencement of this Agreement, the City will endeavor to advance to RHA \$1,000,000 for the purpose of providing RHA working capital to effectively administer the Program. If the first installment of \$1,000,000 is not paid to the RHA by October 30, 2023, the RHA may, at its sole option, terminate this Agreement. The City shall advance the remaining Funds immediately upon the notice by the RHA that it has spent or incurred obligations of \$900,000 in a FY.
- c. RHA agrees to submit a cashless monthly draw that accounts for all funds provided to applicants and Program delivery costs incurred by RHA for the previous reporting period as described in Section I.e of this Agreement.
- d. All Funds disbursed pursuant to this Agreement shall be deposited into a noninterest bearing account.
- e. RHA agrees that it may not request disbursement of Funds under this Agreement until required Agreements are signed and the State of Nevada has transferred Funds to the City.
- f. RHA agrees that excerpts, copies, or transcripts, or other reliable records of all checks, payrolls, time records, invoices, contracts, vouchers, orders, and other accounting documents related to or arguably related to the Program will be provided upon request to the City.
- g. RHA agrees that at any point, upon written notice, the City may, at its sole discretion, reallocate any unspent Funds or Funds that have not been incurred to or promised to another person or entity for continuation of the Program. All Funds not incurred by RHA

by June 30, 2024, shall be returned to the City no later than July 31, 2024. All Funds not incurred by RHA by June 30, 2025, shall be returned to the City no later than July 31, 2025.

- h. RHA shall comply with the Single Audit Act and 2 CFR Part 200, Subpart F, and shall provide the City with a copy of the complete audit report. When complying with the Single Audit Act and 2 CFR Part 200, Subpart F, the audit must include Funds that were disbursed from the Account and require all subgrantees and subrecipients who must comply with the Single Audit Act.
- i. RHA will not use any portion of the allocated Funds for costs not expressly authorized by this Agreement.
- j. If costs are expended on non-qualified Program costs without the prior written approval of the City, RHA shall, upon the request of City, repay to the City, without interest, the amount of Funds expended on the non-qualified expenditure. The City shall provide the RHA with written notice and explanation of the reasons for the decision to deem an expense as non-qualified. The RHA may dispute this decision, whereupon the parties shall meet and confer within the next five days to resolve their differences. If they are unable to reconcile differences on the decision, the RHA may deem such a decision a default and pursue its remedies under Section 7, below, or defer legal action until the conclusion of the contract, at which time the parties may attempt, again, to reconcile differences. Additionally, if the parties are unable to resolve a dispute as to whether any expenditures are non-qualified, the City may deem the RHA's failure to repay such Funds expended on the non-qualified expenditure within 30 days after receiving written notice from the City as a default and pursue its remedies under Section 7 below, or defer legal action until the conclusion of the contract.

4. GENERAL TERMS AND CONDITIONS

- a. RHA shall allow duly authorized representatives of the City, with 24-hour advance written notice, to conduct such occasional reviews, audit and on-site monitoring of RHA as the City deems to be appropriate in order to determine:
 - 1. Whether the objectives of the program are being achieved.
 - 2. Whether the program is being conducted in an efficient and effective manner.
 - 3. Whether management control systems and internal procedures have been established to meet the objectives of the Program, namely the provision of rental assistance defined by AB396 and outlined in this Agreement, where necessary to prevent eviction of households struggling financially.
 - 4. Whether the financial operations of the program are being conducted properly.
 - 5. Whether the periodic reports to the City contain accurate and reliable information.

6. Whether the activities of the program are conducted in compliance with the provisions of Federal and State laws and regulations and this Agreement.
- b. At any time during normal business hours, with 24 hours advance written notice, RHA's records with respect to the program, including, but not limited to books, accounts, claims reports, vouchers, confidential or otherwise, regardless of their form or location, shall be made available for audit, examination and review by the City, the State of Nevada, State of Nevada Attorney General's Office, contracted independent auditors, Legislative Auditor or any combination thereof. The representatives of the City may, from time to time, interview recipients of the housing services of the program who volunteer to be interviewed.
 - c. This Agreement will commence upon its approval and signature by all parties and is contingent on the City's receipt of Funds from the State of Nevada.
 - d. Notice must be served to the City by RHA on July 1, 2024, of any Funds not expended or incurred by June 30, 2024. Unspent Funds or Funds not incurred must be returned to the City by July 31, 2024.
 - e. Notice must be served to the City by RHA on July 1, 2025, of any Funds not expended or incurred by June 30, 2025. Unspent Funds or Funds not incurred must be returned to the City by July 31, 2025.
 - f. RHA shall keep and maintain in effect at all times any and all licenses, permits, notices and certifications which may be required by any county ordinance or state or federal statute.
 - g. RHA, as it relates to these Funds, shall be bound by all county ordinances and state and federal statutes, conditions, regulations and assurances which are applicable to the entire Program or are required by the Internal Revenue Service, City, or any other governmental authority.
 - h. Any material breach of this section may at the discretion of City, result in forfeiture of all unexpended Funds not incurred or obligated pursuant to this Agreement.
 - i. Upon the revocation of this Agreement or the expiration of its terms, RHA shall transfer to the City any Funds not incurred on hand at the time of expiration or revocation and any accounts receivable attributable to the use of Funds.
 - j. Insurance Requirements. The City established specific insurance requirements for agreements/ contracts with non-profit and quasi-governmental agencies to assure that

- reasonable insurance coverage is maintained. All of the requirements must be complied with prior to any reimbursement for any program.
- k. The RHA shall maintain, at least, the following insurance policies. Each insurance policy shall name the Grantee as additional insured. Proof of insurance is required at the beginning of program activities.
 - i. General Liability: \$500,000 combined single limit per occurrence for bodily injury, personal injury and property damage. If commercial General Liability Insurance or other form with a general aggregate limit is used, the general aggregate limit shall be increased to equal twice the occurrence limit or revised to apply separately to each project or location.
 - ii. Automobile Liability: \$500,000 combined single limit per accident for bodily injury and property damage. No aggregate limits may apply.
 - iii. Professional Liability: \$500,000 per occurrence and as an annual aggregate
 - l. Subject to NRS Chapters 41 and 354, RHA will protect, defend, indemnify, and save and hold harmless the City from and against any and all liability, damages, demands, claims, suits, liens, and judgments of whatever nature arising out of and in connection of the Agreement, including but not limited to claims for contribution or indemnification for injuries to or death of any person or persons, caused by the negligence, gross negligence or intentional act of RHA or its agents pursuant to this Agreement.
 - m. RHA will not use any Funds or resources which are supplied by the City in litigation against any person, natural or otherwise, or in its own defense in any such litigation and also to agree to notify the City of any legal action arising out of and in connection of the Agreement, which is filed or threatened by or against it.
 - n. Indemnification and Liability Insurance. The RHA will indemnify the City as provided for herein, commencing on the date of this Agreement through the June 30, 2025, (the "Indemnity Period"), unless otherwise modified, herein. The duty to indemnify includes claims arising out of the Indemnity Period and asserted within the applicable statutes of repose. To the fullest extent provided by law, the RHA shall indemnify, hold harmless and defend the City and its related parties from and against all claims and liability arising out of and to the extent caused by the acts errors or omissions of the RHA and its related parties arising out of the administration of this Agreement to the extent caused by an act, error or omission of the RHA or a related party. "Arising out of the administration of this Agreement" means the performance of any task, responsibility or the pursuit of any right with respect to the this Agreement. "Act, error or omission" includes acts, failure to act, errors, or omissions that constitute negligence, willful tortious conduct, or for which strict or imputed liability may be imposed as determined by a court of competent jurisdiction under applicable law, and further includes breaches of this Agreement and violations of law. "Claims and liability" means all third party claims, actions, damages, losses, judgments, injuries, costs and expenses, (including those paid to settle the case) including

- but not limited to reasonable attorneys' fees and costs, including those related to bodily injury, sickness, disease or death or to injury to or destruction of tangible property (including the loss of use resulting therefrom) and other economic damages but excluding any consequential losses, damages or claims. The RHA may assert the defense of sovereign immunity for both itself and the City. The RHA may also assert as a defense that there are no third party beneficiaries to this Agreement. "Defend" includes the obligation to defend litigation at the indemnifying party's sole expense using counsel that is reasonably acceptable to the indemnified party. Each indemnified party shall be permitted to participate, if it chooses, in the defense of any action claiming liability at the indemnified party's own expense, even if the indemnified party is indemnified hereunder, provided that no settlement with respect to any claim under any such action shall be permitted without the RHA's consent (to be given or withheld in the RHA's sole and absolute discretion). "Related Party" includes all officers, employees, volunteer workers, agents, contractors and subcontractors of a party who are acting within the scope of their assigned and lawful duties as well as anyone directly or indirectly employed by any of them.
- o. Assignment of Contract. It is agreed by and between the parties hereto that neither this Contract nor any part thereof may be assigned by the RHA, and that in the event that the RHA does so assign, the City Staff may, at their option, terminate this Contract and be relieved of further obligation to the RHA.
 - p. Federal Procurement Eligibility. The RHA certifies that a non-federal entity, the RHA and its principals have not been themselves or contracted with any entity that has been suspended or debarred by the Federal Government and are not listed in the list of parties excluded from the Federal procurement or non-procurement programs issued by the General Services Administration. This regulation applies not only to physical improvements and construction, but also services.
 - q. Grounds for Termination of the Contract. The City intends to review the RHA's actions under this Agreement during or near April of 2024 to determine if it wishes to continue using RHA to administer this Agreement for FY 2024-25. Accordingly, the Parties agree that the City may, at its sole discretion, choose to terminate this Agreement for any reason or for no reason as of June 30, 2024 by giving RHA at least 30 days' advance notice. In addition, the City reserves the right to terminate this Contract upon written notification to the RHA that any one or more of the following has occurred:
 - 1. Failure of the RHA to provide monthly reports by the 15th day following the end of each month.
 - 2. Failure of the RHA to expend fifty percent of the FY2023-2024 funding by February 28, 2024.
 - 3. Failure of the RHA to expend fifty percent of the FY2024-2025 funding by December 31, 2024.

4. Failure to comply with written notice from City Staff of substandard performance in scope of services under the terms of this Contract.
5. Failure of the RHA to comply with state and federal accounting laws.
6. RHA employees, officers or its designees or agents using their positions for a purpose that is, or gives the appearance of being, motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business or other ties.
7. Where applicable, notification by State of Nevada to the City that programs are ineligible because of services provided, or location of services provided, or otherwise violate the provisions within AB396 or other law.
8. Where applicable, written notification from the State of Nevada to City Staff that the program Funds made available to the RHA are being curtailed, withdrawn, or otherwise restricted.

r. Personnel.

- i. The RHA represents that it has hired or will hire all personnel required in performing the services under this Contract. Such personnel shall not be employees of, or have any contractual relationship with, the City.
- ii. All of the services required hereunder will be performed by the RHA, and all personnel engaged in the work shall be fully qualified.

s. Compliance with Laws. The RHA agrees to follow all federal, state and local laws pertaining to the operation of said agency.

t. This Agreement, including the Recitals and Exhibit I, all of which are incorporated by reference as a part of this Contract, constitute the complete and integrated Agreement between the parties with respect to the matters recited herein, and supersedes any prior or contemporaneous written or oral Agreements or understandings with respect thereto.

u. The parties acknowledge that this Contract has been agreed to by both parties, that both parties have consulted or have had the opportunity to consult with attorneys with respect to the terms, and that no presumption shall be created against the Grantee as the drafter of this Contract.

5. MODIFICATION AND REVOCATION OF AGREEMENT

- a. Amendments and Waivers. This Contract shall not be modified, amended, rescinded, canceled, or waived, in whole or in part, except by written amendment signed by duly authorized representatives of the parties. No waiver of any other provisions of this Contract shall be deemed to be a waiver of any other provisions, regardless of similarity, and no waiver shall constitute a continuing waiver. Forbearance or failure to declare a default or pursue a remedy shall not constitute a waiver except as provided in this Contract.

- b. In the event that any of the Funds for any reason are terminated or withheld from the City or otherwise not forthcoming, the City or RHA may revoke this Agreement.
- c. Either Party may suspend or terminate this Agreement if the other Party fails to comply with any of its terms. If a Party determines that the other Party has failed to comply with any terms of this Agreement, it will provide notice of such failure to said Party. Such Party shall have 30 days to cure said failure. If said Party has failed to cure the failure, the noticing Party may terminate the Agreement.
- d. This Agreement constitutes the entire Agreement between the Parties.

6. OTHER PROVISIONS

During the performance of this Agreement, the RHA agrees to the following:

- a. Equal Employment Opportunity.
 - i. The RHA will not discriminate against any employee or applicant for employment or individual receiving the benefit of the RHA's services because of race, creed, religion, color, age, national origin, political affiliation, sex, sexual orientation, familial status, or disability (as provided in Section 504 of the Rehabilitation Act of 1973, as amended). The RHA will take action to ensure that all applicants are considered equally. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The RHA agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause. Such action shall include individuals benefiting from Program services/activities.
 - ii. Vietnam Veterans. The RHA agrees to comply with Section 402 - Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era Act.
 - iii. The RHA agrees to comply with any federal regulations issued pursuant to the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, as amended.
 - iv. Business and Employment Opportunities for Lower Income/ Minority Residents. In all solicitations for bids, the contractor must, before signing the contract, provide a preliminary statement of the work force needs and plans for possible training and employment of lower income persons. When a Subgrantee utilizes the bidding procedure to let a bid, the invitation or solicitation for bids shall advise prospective contractors of the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, regulations. If a RHA solicits or requests for invitation for bids, every effort feasible will be made to contact minority organizations for a response to the solicitations or invitations for bidders.

- b. The RHA will not discriminate in the provision of services or benefits to any person on the basis of race, creed, religion, color, age, national origin, political affiliation, sex, sexual orientation, marital status or disability.
- c. Hatch Act. Neither the Program nor the Funds provided therefore, nor the personnel employed in the administration of the Program shall be in any way or to any extent engaged in the conduct of political activities in contravention of Chapter 15 of Title 5, United States Code.
- d. Religious Activities. In addition to, and not in substitution for, other provisions of this Contract regarding the provision of essential services and/or the payment of operational costs, the RHA:
 - i. Represents that if it is, or may be deemed to be, a religious or denominational institution or organization or an organization operated for religious purposes which is supervised or controlled by, or in connection with, a religious or denominational institution or organization, in connection with such essential services and operation costs:
 - 1. It will not discriminate against any employee or applicant for employment on the basis of religion and will not limit employment or give preference in employment to persons on the basis of religion.
 - 2. It will not discriminate against any persons seeking emergency shelter and related services on the basis of religion and will not limit such services or give preference to persons on the basis of religion.
 - 3. It will provide no religious instruction or counseling, conduct no religious worship or services, engage in no religious proselytizing and exert no other religious influence in the provision of services or the use of facilities or furnishings assisted in any way under this Contract.
- e. Drug-Free Workplace Requirements. The RHA agrees to conform to the guidelines set-forth in the certification regarding Drug-Free Workplace Requirements.
- f. CONFLICT OF INTEREST
 - i. A Subgrantee who has a Sparks Council person or County Commissioner on their Board of Directors will not receive Funds unless there is a public disclosure of the conflict and approval from the City of Sparks
 - ii. The RHA shall prohibit any conflicts of interest as defined in. Section 24 CFR 570.611. This section covers employees, agents, consultants, officers or elected or appointed officials of the RHA and relates to procurement of supplies, equipment, and services, as well as acquisition or disposition of property.
 - iii. RHA agrees, as it relates to the Program, that no Commissioner of the Board or employee of RHA may use his or her position to secure or grant any unwarranted privilege, preference, exemption or advantage for himself or herself, any member of his or her household, any business entity in which he or she has a financial interest or any other person.

- iv. RHA agrees, as it relates to the Program, no Commissioner of the Board or employee of RHA may participate as an agent of RHA in the negotiation or execution of any contract between RHA and any private business in which he or she has a financial interest.
- v. RHA agrees, as it relates to the Program, that no officer or employee of RHA may suppress any report or other document because it might tend to affect unfavorably his or her private financial interests.
- vi. RHA agrees, as it relates to the Program, that no Commissioner of the Board or employee of RHA may seek or accept any gifts, service, favor, employment, engagement, employment, or economic opportunity which would tend improperly to influence a reasonable person in that position to depart from the faithful and impartial discharge of the duties of that position. RHA agrees that, as it relates to the Program, no officer, employee or agent of the City shall have any interest, direct or indirect, financial or otherwise, in any contract or subcontract or the proceeds thereof, for any of the work to be performed pursuant to the Program during the period of service of such officer, employee or agent, for one year thereafter.

7. DEFAULT AND REMEDIES

- a. Default & Notice to cure.
 - i. Neither party to this Agreement waives its sovereign immunity from suit to the extent that it exists.
 - ii. A default under this Agreement occurs if there is a breach of this Agreement which is not cured within the time period specified.
 - iii. If either party to this Agreement believes that a breach under this Agreement has occurred, it shall give the other party notice in writing, and the notified party shall have thirty (30) business days to cure the default. If the notified party has commenced and is diligently pursuing a cure for the default, such cure period shall be extended as reasonably necessary to complete such cure, not to exceed an additional 30 days, unless the non-defaulting party agrees to a longer extension.
- b. City of Sparks Remedies. If a default occurs without excuse or discharge and remains uncured after written notice is provided to RHA thereof and the cure period specified above, the City may exercise any one or combination of the following remedies, and the rights and remedies herein are cumulative so that the exercise of any one or more of such rights or remedies shall not preclude the exercise, at the same or different times, of any other right or remedy for the same default or any other default:
 - i. Seek declaratory and injunctive relief for specific performance of the obligations under this Agreement; and/or
 - ii. Bring an action for damages; and/ or
 - iii. Pursue any other remedy provided for in law or equity.

- c. RHA Remedies. If a default occurs without excuse or discharge and remains uncured after written notice is provided to the City thereof and the cure period specified above, the RHA may exercise any one or combination of the following remedies, and the rights and remedies herein are cumulative so that the exercise of any one or more of such rights or remedies shall not preclude the exercise, at the same or different times, of any other right or remedy for the same default or any other default:
 - i. Seek injunctive and declarative relief; and/ or
 - ii. Bring an action for damages; and/ or
 - iii. Pursue any other remedy provided for in law or equity.
- d. Waivers. Failure or delay in giving notice of breach or default shall not constitute a waiver of default. Except as otherwise expressly provided in this Agreement, any failure or delay by any party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default, or of any such rights or remedies, or deprive any such party of its right to institute and maintain any actions or pursue any remedies. Waivers are binding on a party only if expressed in writing signed by an authorized officer of the waiving party.
- e. Attorney's Fees and Costs. If either party brings any action or proceeding to enforce the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees and costs as determined to be just under the circumstances by the Court.

8. AUTHORITY TO ENTER CONTRACT

The undersigned person signing as an officer on behalf of the RHA, a party to this Contract, hereby warrants and represents that said person has actual authority to enter into this Contract on behalf of the RHA and to bind the same to this Contract, and, further, that the RHA has actual authority to enter into this Contract and that there are no restrictions or prohibitions contained in any article of incorporation or bylaws against entering into this Contract.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the date entered into on the first page hereof.

CITY OF SPARKS, a municipal corporation of the State of Nevada

By: _____

Ed Lawson, Mayor

ATTEST:

By: _____

Lisa Hunderman, City Clerk

APPROVED:

BY: _____

Wes Duncan, City Attorney

Housing Authority of the City of Reno (RHA)

By: _____

Dr. Hilary Lopez, Executive Director

Exhibit 1- AB396 Rental Assistance Policy Manual

4896-1375-3204, v. 1



Rental Assistance Programs
Administered by the Reno Housing Authority
Policy and Procedure Manual

CITY OF SPARKS - RENTAL ASSISTANCE PROGRAM (AB396)

The City of Sparks Rental Assistance programs are funded through Assembly Bill 396 and subject to funding appropriations from the State of Nevada General Fund. Funding is limited to the amount appropriated to the City of Sparks during each fiscal year. The City of Sparks reserves the right to suspend or terminate the program at any time.

The City of Sparks Rental Assistance Program serves residents of the city of Sparks who have suffered financial hardship/ and or emergency and now lack sufficient income or resources available to pay their housing costs.

Fair Housing

This program will be implemented consistent with the City's commitment to Fair Housing. No person shall be excluded from participation in, denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part with CDBG funds or any other funding sources or programs administered by the City of Sparks, on the basis of their religion or religious affiliation, age, race, color, creed, ancestry, national origin, gender, marital or familial status (children), physical or mental disability, medical condition, or sexual orientation.

Definitions

Definitions

Household: Household shall mean all persons who occupy a housing unit, whether related or not. The occupants may be a single family, one person living alone, two or more families living together, or any other group of persons who share living arrangements.

Family: Family shall mean two or more persons occupying a housing unit, whether related or not.

Household Annual Income: Annual income will be calculated based on the gross income for **ALL** applicable household members living in the household. Examples may include but not be limited to, wages, salaries, tips; taxable income such as interest income; social security payments; dividends; IRA distributions; pension and annuity payments; rental real estate; unemployment compensation payments; child support; and alimony payments.

Applicants that provide false information or withhold information on their application will be denied assistance and will be banned from applying for any of the City's Housing Programs in the future.

Section 1 Rental Assistance Programs

The City of Sparks offers two rental assistance programs: Eviction Prevention and Senior Short-term Rental Assistance. All payments for rent are made directly to a landlord. Applications will be completed in person with City of Sparks staff at City Hall. Accommodation may be made to complete application via telephone.

1.1 Eviction Prevention Rental Assistance: Rental assistance may be provided to prevent a household from being evicted. Assistance may be paid to cover rental arrears, including late fees and future rent, not to exceed a total of three (3) months of assistance. Households will be required to provide documentation to support a financial hardship and/ or emergency.

1.2 Short-term Senior Rental Assistance: Rental Assistance may be provided to elderly (62 or older) households that are unable to pay their rent due to rent increases or financial hardship. Households may receive up to six (6) months of rental assistance to allow time to locate a more affordable unit to move to. Households will be required to provide written documentation indicating they received a rent increase or financial hardship.

Section 2 Eligibility Requirements

Applicants must demonstrate a need for assistance by providing the required documents necessary to determine eligibility. As defined in AB396, eligible individuals include persons that are elderly, persons that are disabled, and families or individuals experiencing an unanticipated emergency.

2.1 Eligible households must rent a unit in the corporate boundary of the City of Sparks and have a current lease agreement. If the landlord is unable to provide a current lease, the household is not eligible to receive rental assistance.

2.2 Income - Households must earn at or below the current HUD published Low (80%) Income Limits for Washoe County-Reno, NV MSA. Households will be required to provide written proof of all income sources.

FY 2023 HUD Income Limits
(Washoe County - Reno, NV MSA)

Persons in Household	1	2	3	4	5	6	7	8
Low (80%) Income Limits	\$55,400	\$63,300	\$71,200	\$79,100	\$85,450	\$91,800	\$98,100	\$104,450

2.3 Required Documentation- The applicant must submit the following documents for ALL adult household members in order to determine eligibility:

- Copy of a valid ID for all adult household members (i.e., driver's license, passport, etc.)

- Proof of income: Must be provided for all adult household members. Examples of income verification required include, but not be limit to, six (6) weeks most current paystubs; Social Security award letter (including Social Security Supplemental Security Income (SSI) and Social Security Disability (SSD)); pension or retirement statements; court order detailing child support and/ or alimony payments; unemployment award letter; and worker's compensation determination. If self-employed, provide a copy of Federal Income Tax forms for the previous year two (2) years.
- Proof of financial hardship and/ or emergency: documentation showing the household has experienced a financial hardship or emergency may include, but is not limited to medical visits; letter from employer stating loss of employment or decrease in hours; unexpected bills (vehicle repair, medical bill, etc.); letter or updated lease showing recent change in household composition; and police report documenting stolen money.

2.4 Eligible Units - Eligible housing units include:

- Weekly and month-to-month housing
- Single-family homes
- Multi-family homes
- Manufactured homes
- Space rent

Household residing in any of the above housing units may be eligible to receive rental assistance, pending a valid lease agreement is provided. Households may not receive rental assistance if they do not have a valid lease.

Section 3 Program Procedures

3.1 Applicant Intake and Eligibility Determination

1. Application – residents will meet with City of Sparks staff to complete the on-line application. Accommodation may be made to assist residents in completing the application via telephone. Completed applications are processed on a first come, first served basis.
 - a. Eligibility Determination-City of Sparks staff will notify households of required documents to be provided within five (5) days to complete the application. Failure to provide the requested documents will result in the application being denied. All documents will be submitted to the Reno Housing Authority (RHA) for final processing. Income must be verified before eligibility can be determined. Additional documentation may be requested by the RHA to determine eligibility. Applicants are required to sign a release of information to allow the RHA to obtain verifications, if needed to determine eligibility for the program.

- b. Failure to submit additional requested information will result in the application being denied.
2. The RHA will review the application and all documents submitted to determine eligibility. RHA will notify households if their application has been approved, pending receipt of a copy of their lease and ledger. The RHA will notify households if their application has been denied.
3. The RHA will contact the landlord to notifying them that the household is eligible for rental assistance, the specific months and request a copy of the current lease, ledger, and W-9. If the landlord fails or refuses to provide this documentation, the household will not be eligible to receive rental assistance.
4. The RHA will process and issue all payments to the landlord based on their check processing schedule. The RHA will notify the landlord and applicant when all documents have been received and when payment will be issued.

3.2 Appeal Process

1. Applicants will have the right to appeal a determination of denial.
 - a. Applicants must submit a written request appealing the denial of an application within 10 business days from the date of the denial notification.
 - i. The appeal letter must include the applicant's name, address of the property and the reason the application should be approved or reinstated.
 - ii. Appeals submitted after 10 business days of the notification of denial will not be considered and the household will be required to submit a new application.
 - b. Appeals will be reviewed by the Reno Housing Authority Director of Rental Assistance or designee and applicants will be provided with a written determination letter.

CITY OF SPARKS, NEVADA
GRANT PROGRAM CONTRACT
ASSEMBLY BILL 396 FUNDED RENTAL ASSISTANCE PROGRAM

THIS AGREEMENT TO USE FUNDS APPROPRIATED TO THE CITY OF SPARKS THROUGH ASSEMBLY BILL 396 ("Agreement") is made and entered by and between ~~Reno~~ the Housing Authority of the City of Reno ("RHA"), and the City of Sparks ("City"), collectively the ("Parties").

WHEREAS, Assembly Bill 396 (AB396) was passed during the 82nd Session of the Nevada Legislature and became effective July 1, 2023 and appropriates a total of \$18,000,000 in funding from the State of Nevada General Fund for the purpose of providing rental assistance in Clark County and ~~Washoe County~~ the cities of Reno and Sparks; and

WHEREAS, it is anticipated that the State of Nevada will appropriate \$3,000,000 of funding, \$1,500,000 in Fiscal Year ("FY") 2023-2024 and \$1,500,000 in FY 2024-2025, to the City of Sparks; and

WHEREAS, the State of Nevada and the City Council of the City of Sparks have determined that providing rental assistance to households that are persons who are elderly, persons with disabilities, and families or persons facing an unanticipated emergency is necessary to prevent eviction of households struggling financially and has made funding available to the City for the purposes of developing of a residential rental assistance Program; and

WHEREAS, the City has determined a need for rental assistance and is responsible for the planning, administration, implementation, and evaluation of a rental assistance program ("Program") which provides money for rent in order to prevent evictions; and

WHEREAS, the RHA is a ~~quasi-municipal corporation of~~ corporation of the State of Nevada and provides rental assistance to households residing in Washoe County; and

WHEREAS, the City desires to allocate its AB396 funding that it receives from the State of Nevada ("Funds") to the RHA to administer a rental assistance program on behalf of the City of Sparks to prevent households within the Sparks City limits from being evicted; and

NOW, THEREFORE, in consideration of the foregoing premises, be it agreed between the City and RHA that AB396 Funds once received from the State of Nevada will ~~immediately~~ be made available to RHA, subject to rights and responsibilities of the Parties, and the following conditions and limitations:

1. SCOPE OF SERVICES

- a. The City will provide to RHA Funds not to exceed \$1,455,000 for the period of July 1, 2023 to June 30, 2024 and not to exceed \$1,455,000 for the period July 1, 2024 to June 30, 2025, for RHA's use to assist eligible households residing within the corporate boundary of the City of Sparks with rental assistance. Households eligible to receive assistance under the Program must be persons who are elderly, persons with disabilities and families or persons facing an unanticipated emergency. Household income must be

at or below 80% of area median income based on the current United States Housing and Urban Development (HUD) Published Area Median Income for Washoe County-Reno, NV MSA. Additional Program requirements are further described in Exhibit 1 – AB396 Rental Assistance Policy Manual.

- b. RHA agrees to administer an Eviction Prevention Rental Assistance Program and a Short-term Senior Rental Assistance Program.
- c. As detailed in Section 1.7 of AB396, the City of Sparks anticipates receiving \$1,500,000 for the ~~Fiscal Year~~FY 2023-2024. All Funds for FY 2023-24 must be expended or incurred by June 30, 2024. Any Funds not incurred by this date must be returned to the State of Nevada General Fund by the City, and therefore, the City will require unused Funds in the RHA's possession on June 30, 2024 be returned to the City.
- d. As detailed in Section 1.7 of AB396, the City of Sparks anticipates receiving \$1,500,000 for the ~~Fiscal Year~~FY 2024-2025. All Funds for FY 2024-25 must be expended or incurred by June 30, 2025. Any Funds not incurred by this date must be returned to the State of Nevada General Fund by the City, and therefore, the City will require unused Funds in the RHA's possession on June 30, 2025 be returned to the City.
- e. RHA agrees that any program costs, unless otherwise specified, exceeding \$2,910,000 (\$1,455,000 in FY 2023-2024 and \$1,455,000 in FY 2024-2025) pursuant to this Agreement, will be the responsibility of RHA. An amount not to exceed ten percent (10%) of the Funds conveyed pursuant to this Agreement may be used for actual Program delivery costs. The City, in its sole discretion, may approve the expenditure of such Funds for Program delivery costs. As used in this section, "Program delivery costs" include, without limitation, costs incurred by RHA that can be directly related to the administration of the Funds, such as increasing staff to carry-out the Program and related overhead costs. Alternatively, the RHA may propose and the City may approve a set fee per application processed based on an estimated number of applications and with a total maximum Program delivery cost amount not to exceed ten percent (10%) of the Funds conveyed pursuant to this Agreement. In the event the Parties agree to an up-front estimated Program delivery cost fee, RHA agrees that it will provide checks, payroll records, time records, invoices, contracts, vouchers, orders and other accounting documents evidencing RHA's Program delivery costs actually incurred for each FY. Such documentation shall be made available to the City each year on or before May 1 of each FY to ensure proper Program delivery costs are being allocated by the June 30 end of each FY.
- f. Changes in the Scope of Services as outlined herein must be made by written amendment to this Agreement and approved by both Parties.
- g. RHA may not assign or delegate any of its rights, interests, or duties under this Agreement without the prior written consent of the City. Any such assignment or delegation made without the required consent shall be voidable by the City, and may, at the option of the City, result in the forfeiture of all financial support provided herein.

2. PROGRAM REPORTING

- a. The City of Sparks agrees to allocate Funds actually received from the State of Nevada as provided for in this Agreement to enable RHA to provide rental assistance under the Program. The City shall meet with residents to complete the initial application. ~~To that extent~~After initial intake of applications, the City will not have any further involvement with the services provided, except the provision of financial support, monitoring, and the receipt of such reports as are provided for herein. If any relationship to such services on the part of the City may be claimed or found to exist, RHA shall be an independent contractor only.
- b. RHA will provide the City with household usage records on a monthly basis during the period of this Agreement. Calendar month reports will be provided via electronic mail to the designated City employee no later than 15 days after the end of the previous month. These records will contain, but are not limited to, the following data:
 - i. Eviction Prevention
 1. Total households served; and
 2. Rent charged for each household served; and
 3. Name of each head of household served; and
 4. Address of each household served; and
 5. Number of persons who are disabled served; and
 6. Number of persons who are elderly (62 or older) served; and
 7. Number of families served; and
 8. Number and percentage of low-income (80%), very low-income (50%) and extremely low-income (30%) households served; and
 9. Number of persons in each household served; and
 10. Racial breakdown of household served including Black or African American, White, American Indian or Alaskan Native, Asian and Native Hawaiian, Pacific Islander or decline to answer; and
 11. Household is or is not Hispanic or decline to answer; and
 12. Total amount paid during the reporting period.
 - ii. Senior (62 or older) Short-term Rental Assistance
 1. Total households served; and
 2. Rent charged for each household served; and
 3. Name of each head of household served; and
 4. Address of each household served; and
 5. Number and percentage of low-income (80%), very low-income (50%) and extremely low-income (30%) households served; and
 6. Number of persons in each household served; and
 7. Racial breakdown of household served including Black or African American, White, American Indian or Alaskan Native, Asian and Native Hawaiian, Pacific Islander or decline to answer; and

8. Household is or is not Hispanic or decline to answer; and
9. Total amount paid during the reporting period.

3. FINANCIAL MANAGEMENT

- a. RHA agrees, that all costs of any recipient receiving Funds pursuant to this Agreement, shall be recorded by budget line items and be supported by checks, payrolls, time records, invoices, contracts, vouchers, orders and other accounting documents evidencing in proper detail the nature and propriety of the respective charges, and that all checks, payrolls, time records, invoices, contracts, vouchers, orders or other accounting documents which pertain, in whole or in part, to the Program shall be thoroughly identified and readily accessible to the City.
- b. Not more than 15 days after the City receives the Funds from the State of Nevada and after the commencement of this Agreement, the City ~~shall will endeavor to~~ advance to **RHA \$1,000,000** for the purpose of providing RHA working capital to effectively administer the Program. If the first installment of \$1,000,000 is not paid to the RHA by **October 30, 2023**, the RHA may, at its sole option, terminate this Agreement. The City shall advance the remaining Funds immediately upon the notice by the RHA that it has spent or incurred obligations of \$900,000 in a FY.
- c. RHA agrees to submit a cashless monthly draw that accounts for all funds provided to applicants and Program ~~expenses-delivery costs~~ incurred by RHA for the previous reporting period as described in ~~Paragraph d. of~~ Section I.e of this Agreement.
- ~~d. The City may withhold payment on any item of the invoice that the City deems an ineligible cost or expense. The City shall provide the RHA with written notice and explanation of the reasons for the decision to withhold. The RHA may dispute the decision to withhold, whereupon the parties shall meet and confer within the next five days to resolve their differences. If they are unable to reconcile differences on the decision to withhold, the RHA may deem the withholding a default and pursue its remedies under Section 11, below, or defer action on the withholding until the conclusion of the contract, at which time the parties may attempt, again, to reconcile differences on the City's decision to withhold on this and any other pending decisions to withhold.~~
- ~~e.d.~~ All Funds disbursed pursuant to this Agreement shall be deposited into a noninterest bearing account.
- ~~f.e.~~ RHA agrees that it may not request disbursement of Funds under this Agreement until required Agreements are signed and the State of Nevada has transferred Funds to the City.

Commented [SB1]: RHA will already have the money.

~~g.f.~~ RHA agrees that excerpts, copies, or transcripts, or other reliable records of all checks, payrolls, time records, invoices, contracts, vouchers, orders, and other accounting documents related to or arguably related to the Program will be provided upon request to the City.

~~h.g.~~ RHA agrees that at any point, upon written notice, the City may, at its sole discretion, reallocate any unspent ~~and/or Funds~~ Funds or Funds that have not been incurred to or promised to another person or entity for continuation of the Program. All Funds not incurred by RHA by June 30, 2024, shall be returned to the City no later than July 31, 2024. All Funds not incurred by RHA by June 30, 2025, shall be returned to the City no later than July 31, 2025.

~~i.h.~~ RHA shall comply with the Single Audit Act and 2 CFR Part 200, Subpart F, and shall provide the City with a copy of the complete audit report. When complying with the Single Audit Act and 2 CFR Part 200, Subpart F, the audit must include Funds that were disbursed from the Account and require all subgrantees and subrecipients who must comply with the Single Audit Act.

~~j.i.~~ RHA will not use any portion of the allocated Funds for costs not expressly authorized by this Agreement.

~~k.j.~~ If costs are expended on non-qualified Program costs without the prior written approval of the City, RHA shall, upon the request of City, repay to the City, without interest, the amount of Funds expended on the non-qualified ~~cost~~ expenditure. The City shall provide the RHA with written notice and explanation of the reasons for the decision to withhold ~~deem an expense as non-qualified~~. The RHA may dispute the decision to withhold this decision, whereupon the parties shall meet and confer within the next five days to resolve their differences. If they are unable to reconcile differences on the decision to withhold, the RHA may deem the withholding such a decision a default and pursue its remedies under Section 47, below, or defer legal action on the withholding until the conclusion of the contract, at which time the parties may attempt, again, to reconcile differences on the City's decision to withhold on this and any other pending decisions to withhold. Additionally, if the parties are unable to resolve a dispute as to whether any expenditures are non-qualified, the City may deem the RHA's failure to repay such Funds expended on the non-qualified expenditure within 30 days after receiving written notice from the City as a default and pursue its remedies under Section 7 below, or defer legal action until the conclusion of the contract.

4. GENERAL TERMS AND CONDITIONS

- a. RHA shall allow duly authorized representatives of the City, with 24-hour advance written notice, to conduct such occasional reviews, audit and on-site monitoring of RHA as the City deems to be appropriate in order to determine:
 1. Whether the objectives of the program are being achieved.
 2. Whether the program is being conducted in an efficient and effective manner.
 3. Whether management control systems and internal procedures have been established to meet the objectives of the Program, namely the provision of rental assistance defined by AB396 and outlined in this Agreement, where necessary to prevent eviction of households struggling financially.
 4. Whether the financial operations of the program are being conducted properly.
 5. Whether the periodic reports to the City contain accurate and reliable information.
 6. Whether the activities of the program are conducted in compliance with the provisions of Federal and State laws and regulations and this Agreement.
- b. At any time during normal business hours, with 24 hours advance written notice, RHA's records with respect to the program, including, but not limited to books, accounts, claims reports, vouchers, confidential or otherwise, regardless of their form or location, shall be made available for audit, examination and review by the City, the State of Nevada, State of Nevada Attorney General's Office, contracted independent auditors, Legislative Auditor or any combination thereof. The representatives of the City may, from time to time, interview recipients of the housing services of the program who volunteer to be interviewed.
- c. This Agreement will commence upon its approval and signature by all parties and is contingent on the City's receipt of ~~funds~~ Funds from the State of Nevada.
- d. Notice must be served to the City by RHA on ~~July 1, 2024, of~~ July 1, 2024, of any Funds not expended or incurred by June 30, 2024. Unspent Funds or Funds not incurred must be returned to the City by July 31, 2024.
- e. Notice must be served to the City by RHA on ~~July 1, 2025, of~~ July 1, 2025, of any Funds not expended or incurred by June 30, 2025. Unspent Funds or Funds not incurred must be returned to the City by July 31, 2025.
- f. RHA shall keep and maintain in effect at all times any and all licenses, permits, notices and certifications which may be required by any county ordinance or state or federal statute.
- g. RHA, as it relates to these Funds, shall be bound by all county ordinances and state and federal statutes, conditions, regulations and assurances which are applicable to the entire

Program or are required by the Internal Revenue Service, City, or any ~~combination thereof~~ other governmental authority.

- h. Any material breach of this section may at the discretion of City, result in forfeiture of all unexpended ~~and/or~~ Funds not incurred ~~received by RHA or obligated~~ pursuant to this Agreement, ~~or any part thereof~~.
- i. Upon the revocation of this Agreement or the expiration of its terms, RHA shall transfer to the City any Funds not incurred on hand at the time of expiration or revocation and any accounts receivable attributable to the use of Funds.
- j. Insurance Requirements. The City established specific insurance requirements -for agreements/ contracts with non-profit and quasi-governmental agencies to assure that reasonable insurance coverage is maintained. All of the requirements must be complied with prior to any reimbursement for any program.
- k. The RHA shall maintain, at least, the following insurance policies. Each insurance policy shall name the Grantee as additional insured. Proof of insurance is required at the beginning of program activities.
 - i. General Liability: \$500,000 combined single limit per occurrence for bodily injury, personal injury and property damage. If commercial General Liability Insurance or other form with a general aggregate limit is used, the general aggregate limit shall be increased to equal twice the occurrence limit or revised to apply separately to each project or location.
 - ii. Automobile Liability: \$500,000 combined single limit per accident for bodily injury and property damage. No aggregate limits may apply.
 - iii. Professional Liability: \$500,000 per occurrence and as an annual aggregate
- l. Subject to NRS Chapters 41 and 354, RHA will protect, defend, indemnify, and save and hold harmless the City from and against any and all liability, damages, demands, claims, suits, liens, and judgments of whatever nature arising out of and in connection of the Agreement, including but not limited to claims for contribution or indemnification for injuries to or death of any person or persons, caused by the negligence, gross negligence or intentional act of RHA or its agents pursuant to this Agreement.
- m. RHA will not use any Funds or resources which are supplied by the City in litigation against any person, natural or otherwise, or in its own defense in any such litigation and also to agree to notify the City of any legal action arising out of and in connection of the Agreement, which is filed or threatened by or against it.
- n. Indemnification and Liability Insurance. The RHA will indemnify the City as provided for herein, commencing on the date of this Agreement through the June 30, 2025, (the "Indemnity Period"), unless otherwise modified, herein. The duty to indemnify includes

claims arising out of the Indemnity Period and asserted within the applicable statutes of repose. To the fullest extent provided by law, the RHA shall indemnify, hold harmless and defend the City and its related parties from and against all claims and liability arising out of and to the extent caused by the acts errors or omissions of the RHA and its related parties arising out of the administration of this Agreement to the extent caused by an act, error or omission of the RHA or a related party. "Arising out of the administration of this Agreement" means the performance of any task, responsibility or the pursuit of any right with respect to the ~~construction, rehabilitation, maintenance and operation of the Project~~this Agreement. "Act, error or omission" includes acts, failure to act, errors, or omissions that constitute negligence, willful tortious conduct, or for which strict or imputed liability may be imposed as determined by a court of competent jurisdiction under applicable law, and further includes breaches of this Agreement and ~~for~~ violations of law. "Claims and liability" means all third party claims, actions, damages, losses, judgments, injuries, costs and expenses, (including those paid to settle the case) including but not limited to reasonable attorneys' fees and costs, including those related to bodily injury, sickness, disease or death or to injury to or destruction of tangible property (including the loss of use resulting therefrom) and other economic damages but excluding any consequential losses, damages or claims. The RHA may assert the defense of sovereign immunity for both itself and the City. The RHA may also assert as a defense that there are no third party beneficiaries to this Agreement. "Defend" includes the obligation to defend litigation at the indemnifying party's sole expense using counsel that is reasonably acceptable to the indemnified party. Each indemnified party shall be permitted to participate, if it chooses, in the defense of any action claiming liability at the indemnified party's own expense, even if the indemnified party is indemnified hereunder, provided that no settlement with respect to any claim under any such action shall be permitted without the RHA's consent (to be given or withheld in the RHA's sole and absolute discretion). "Related Party" includes all officers, employees, volunteer workers, agents, contractors and subcontractors of a party who are acting within the scope of their assigned and lawful duties as well as anyone directly or indirectly employed by any of them.

- o. Assignment of Contract. It is agreed by and between the parties hereto that neither this Contract nor any part thereof may be assigned by the RHA, and that in the event that the RHA does so assign, the City Staff may, at their option, terminate this Contract and be relieved of further obligation to the RHA.
- p. Federal Procurement Eligibility. The RHA certifies that a non-federal entity, the RHA and its principals have not been themselves or contracted with any entity that has been suspended or debarred by the Federal Government and are not listed in the list of parties excluded from the Federal procurement or non-procurement programs issued by the General Services Administration. This regulation applies not only to physical improvements and construction, but also services.

- q. Grounds for Termination of the Contract. The City intends to review the RHA's actions under this Agreement during or near April of 2024 to determine if it wishes to continue using RHA to administer this Agreement for FY 2024-25. Accordingly, the Parties agree that the City may, at its sole discretion, choose to terminate this Agreement for any reason or for no reason as of June 30, 2024 by giving RHA at least 30 days' advance notice. In addition, the City reserves the right to terminate this Contract upon written notification to the RHA that any one or more of the following has occurred:
1. Failure of the RHA to provide monthly reports by the 15th day following the end of each month.
 2. Failure of the RHA to expend fifty percent of the FY2023-2024 funding by February 28, 2024.
 3. Failure of the RHA to expend fifty percent of the FY2024-2025 funding by December 31, 2024.
 4. Failure to comply with written notice from City Staff of substandard performance in scope of services under the terms of this Contract.
 5. Failure of the RHA to comply with state and federal accounting laws.
 6. RHA employees, officers or its designees or agents using their positions for a purpose that is, or gives the appearance of being, motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business or other ties.
 7. Where applicable, notification by State of Nevada to the City that programs are ineligible because of services provided, or location of services provided, or otherwise violate the provisions within AB396 or other law.
 8. Where applicable, written notification from the State of Nevada to City -Staff that the program Funds made available to the RHA are being curtailed, withdrawn, or otherwise restricted.
- r. Personnel.
- i. The RHA represents that it has hired or will hire all personnel required in performing the services under this Contract. Such personnel shall not be employees of, or have any contractual relationship with, the City.
 - ii. All of the services required hereunder will be performed by the RHA, and all personnel engaged in the work shall be fully qualified.
- s. Compliance with Laws. The RHA agrees to follow all federal, state and local laws pertaining to the operation of said agency.
- t. This Agreement, including the Recitals and Exhibit I, all of which are incorporated by reference as a part of this Contract, constitute the complete and integrated Agreement between the parties with respect to the matters recited herein, and supersedes any prior or contemporaneous written or oral Agreements or understandings with respect thereto.

Commented [SB2]: To address City Council's 8/14 direction.

- u. The parties acknowledge that this Contract has been agreed to by both parties, that both parties have consulted or have had the opportunity to consult with attorneys with respect to the terms, and that no presumption shall be created against the Grantee as the drafter of this Contract.

5. MODIFICATION AND REVOCATION OF AGREEMENT

- a. Amendments and Waivers. This Contract shall not be modified, amended, rescinded, canceled, or waived, in whole or in part, except by written amendment signed by duly authorized representatives of the parties. No waiver of any other provisions of this Contract shall be deemed to be a waiver of any other provisions, regardless of similarity, and no waiver shall constitute a continuing waiver. Forbearance or failure to declare a default or pursue a remedy shall not constitute a waiver except as provided in this Contract.
- b. In the event that any of the Funds for any reason are terminated or withheld from the City or otherwise not forthcoming, the City or RHA may revoke this Agreement.

b. Either Party may suspend or terminate this Agreement if the other Party fails to comply with any of its terms. If a Party determines that the other Party has failed to comply with any terms of this Agreement, it will provide notice of such failure to said Party. Such Party shall have 30 days to cure said failure. If said Party has failed to cure the failure, the noticing Party may terminate the Agreement.

e.d. This Agreement constitutes the entire Agreement between the Parties.

6. OTHER PROVISIONS

During the performance of this Agreement, the RHA agrees to the following:

- a. Equal Employment Opportunity.
 - i. The RHA will not discriminate against any employee or applicant for employment or individual receiving the benefit of the RHA's services because of race, creed, religion, color, age, national origin, political affiliation, sex, sexual orientation, familial status, or disability (as provided in Section 504 of the Rehabilitation Act of 1973, as amended). The RHA will take action to ensure that all applicants are considered equally. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The RHA agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause. Such action shall include individuals benefiting from Program services/activities.

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Commented [SB3]: Amy moved this to be its own section rather than a subsection of the section above. This makes sense to me.

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- ii. Vietnam Veterans. The RHA agrees to comply with Section 402 - Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era Act.
 - iii. The RHA agrees to comply with any federal regulations issued pursuant to the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, as amended.
 - iv. Business and Employment Opportunities for Lower Income/ Minority Residents. In all solicitations for bids, the contractor must, before signing the contract, provide a preliminary statement of the work force needs and plans for possible training and employment of lower income persons. When a Subgrantee utilizes the bidding procedure to let a bid, the invitation or solicitation for bids shall advise prospective contractors of the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, regulations. If a RHA solicits or requests for invitation for bids, every effort feasible will be made to contact minority organizations for a response to the solicitations or invitations for bidders.
- b. The RHA will not discriminate in the provision of services or benefits to any person on the basis of race, creed, religion, color, age, national origin, political affiliation, sex, sexual orientation, marital status or disability.
- c. Hatch Act. Neither the Program nor the Funds provided therefore, nor the personnel employed in the administration of the Program shall be in any way or to any extent engaged in the conduct of political activities in contravention of Chapter 15 of Title 5, United States Code.
- d. Religious Activities. In addition to, and not in substitution for, other provisions of this Contract regarding the provision of essential services and/or the payment of operational costs, the RHA:
 - i. Represents that if it is, or may be deemed to be, a religious or denominational institution or organization or an organization operated for religious purposes which is supervised or controlled by, or in connection with, a religious or denominational institution or organization, in connection with such essential services and operation costs:
 - 1. It will not discriminate against any employee or applicant for employment on the basis of religion and will not limit employment or give preference in employment to persons on the basis of religion.
 - 2. It will not discriminate against any persons seeking emergency shelter and related services on the basis of religion and will not limit such services or give preference to persons on the basis of religion.
 - 3. It will provide no religious instruction or counseling, conduct no religious worship or services, engage in no religious proselytizing and exert no other religious influence in the provision of services or the use of facilities or furnishings assisted in any way under this Contract.

- e. Drug-Free Workplace Requirements. The RHA agrees to conform to the guidelines set-forth in the certification regarding Drug-Free Workplace Requirements.
- f. CONFLICT OF INTEREST
 - i. A Subgrantee who has a Sparks Council person or County Commissioner on their Board of Directors will not receive Funds unless there is a public disclosure of the conflict and approval from the City of Sparks
 - ii. The RHA shall prohibit any conflicts of interest as defined in. Section 24 CFR 570.611. This section covers employees, agents, consultants, officers or elected or appointed officials of the RHA and relates to procurement of supplies, equipment, and services, as well as acquisition or disposition of property.
 - iii. RHA agrees, as it relates to the Program, that no Commissioner of the Board or employee of RHA may use his or her position to secure or grant any unwarranted privilege, preference, exemption or advantage for himself or herself, any member of his or her household, any business entity in which he or she has a financial interest or any other person.
 - iv. RHA agrees, as it relates to the Program, no Commissioner of the Board or employee of RHA may participate as an agent of RHA in the negotiation or execution of any contract between RHA and any private business in which he or she has a financial interest.
 - v. RHA agrees, as it relates to the Program, that no officer or employee of RHA may suppress any report or other document because it might tend to affect unfavorably his or her private financial interests.
 - vi. RHA agrees, as it relates to the Program, that no Commissioner of the Board or employee of RHA may seek or accept any gifts, service, favor, employment, engagement, employment, or economic opportunity which would tend improperly to influence a reasonable person in that position to depart from the faithful and impartial discharge of the duties of that position. RHA agrees that, as it relates to the Program, no officer, employee or agent of the City shall have any interest, direct or indirect, financial or otherwise, in any contract or subcontract or the proceeds thereof, for any of the work to be performed pursuant to the Program during the period of service of such officer, employee or agent, for one year thereafter.

7. DEFAULT AND REMEDIES

- a. Default & Notice to cure.
 - i. Neither party to this Agreement waives its sovereign immunity from suit to the extent that it exists.
 - ii. A default under this Agreement occurs if there is a breach of this Agreement which is not cured within the time period specified.
 - iii. If either party to this Agreement believes that a breach under this Agreement has occurred, it shall give the other party notice in writing, and the notified party shall have thirty (30) business days to cure the default. If the notified party has

commenced and is diligently pursuing a cure for the default, such cure period shall be extended as reasonably necessary to complete such cure, not to exceed an additional 30 days, unless the non-defaulting party agrees to a longer extension.

- b. City of Sparks Remedies. If a default occurs without excuse or discharge and remains uncured after written notice is provided to RHA thereof and the cure period specified above, the City may exercise any one or combination of the following remedies, and the rights and remedies herein are cumulative so that the exercise of any one or more of such rights or remedies shall not preclude the exercise, at the same or different times, of any other right or remedy for the same default or any other default:
 - i. Seek declaratory and injunctive relief for specific performance of the obligations under this Agreement; and/or
 - ii. Bring an action for damages; and/ or
 - iii. Pursue any other remedy provided for in law or equity.
- c. RHA Remedies. If a default occurs without excuse or discharge and remains uncured after written notice is provided to the City thereof and the cure period specified above, the RHA may exercise any one or combination of the following remedies, and the rights and remedies herein are cumulative so that the exercise of any one or more of such rights or remedies shall not preclude the exercise, at the same or different times, of any other right or remedy for the same default or any other default:
 - i. Seek injunctive and declarative relief; and/ or
 - ii. Bring an action for damages; and/ or
 - iii. Pursue any other remedy provided for in law or equity.
- d. Waivers. Failure or delay in giving notice of breach or default shall not constitute a waiver of default. Except as otherwise expressly provided in this Agreement, any failure or delay by any party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default, or of any such rights or remedies, or deprive any such party of its right to institute and maintain any actions or pursue any remedies. Waivers are binding on a party only if expressed in writing signed by an authorized officer of the waiving party.
- e. Attorney's Fees and Costs. If either party brings any action or proceeding to enforce the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees and costs as determined to be just under the circumstances by the Court.

8. AUTHORITY TO ENTER CONTRACT

The undersigned person signing as an officer on behalf of the RHA, a party to this Contract, hereby warrants and represents that said person has actual authority to enter into this Contract on behalf of the RHA and to bind the same to this Contract, and, further, that the RHA has actual authority to enter into this Contract and that there are no restrictions or prohibitions contained in any article of incorporation or bylaws against entering into this Contract.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the date entered into on the first page hereof.

CITY OF SPARKS, a municipal corporation of the State of Nevada

By: _____
Ed Lawson, Mayor

ATTEST:

By: _____
Lisa Hunderman, City Clerk

APPROVED:

BY: _____
Wes Duncan, City Attorney

Housing Authority of the City of Reno (RHA)

By: _____
Dr. Hilary Lopez, Executive Director

RENO HOUSING AUTHORITY**AGENDA ITEM NUMBER: 8****August 22, 2023**

SUBJECT: Possible adoption of Resolution 23-08-05 RH, which if approved will allow Agency to submit a HUD Section 18 application, a City of Reno Private Activity Volume Cap request, a Nevada housing Division Multi-Family Bond Application, and a Washoe County HOME Consortium's Affordable Housing Municipal Loan Program application, each for Hawk View Apartments. (For Possible Action)

FROM: Executive Director

RECOMMENDATION: For Possible Action

Background:

Recognizing that the public housing program does not provide adequate funding levels to Public Housing Authorities to properly maintain public housing properties and ensure long-term viability, HUD has created tools that allow PHAs to "reposition" existing public housing properties from the public housing program to the Section 8 Program. Repositioning gives PHAs more flexibility to finance and perform needed capital improvements and to ensure the long-term affordability of the complex under the more stable Section 8 Program.

One of HUD's repositioning tools is Section 18 of the Housing Act of 1937. Through Section 18 PHAs can reposition existing public housing that meets obsolescence threshold. PHAs can then leverage public and private debt and equity to demolish and redevelop the property.

PHAs can choose to project-base the Tenant Protection Vouchers received as part of the Section 18 process back on to the newly developed units. This ensures that the units continue to provide deep affordability to low-income households. Current residents are offered comparable housing options to relocate from the property that will ensure ongoing affordability for the household. Relocation may consist of a transfer to another public housing site, receipt of a housing choice voucher, or other allowable assistance. Additionally, residents will receive relocation assistance in terms of financial assistance and counseling services. Current residents will be offered the opportunity to return to a PBV unit at the newly redeveloped property.

PHAs may retain ownership and control of the property through a separate legal entity. As such a new sole purpose entity will be created for the project. This ownership structure will be like the ownership structure of RHA's Willie J. Wynn Apartments.

To pursue Section 18, RHA must apply to HUD to move forward with the process. HUD requires a board resolution authorizing RHA to submit a Section 18 application to HUD as part of the application. Staff have completed the other requirements for the application and are now seeking the Board resolution.

Additionally, to finance the significant redevelopment planned at Hawk View Apartments, RHA will need to submit various applications for the multiple funding sources required to

complete the project. These include tax-exempt bonds from the City of Reno and Nevada Housing Division and 4% Low Income Housing Tax Credits, as well as potential HOME funds and additional funding from the Federal Home Loan Bank.

Resolution 23-08-05 authorizes RHA to submit the Section 18 application to HUD as well as applications for the various funding sources that need to be secured for the project and authorizes the Executive Director or, in her absence, the Deputy Executive Director to execute the required documents.

Staff Recommendation:

Staff recommends that the Board of Commissioners approve Resolution 23-08-05.

HOUSING AUTHORITY OF THE CITY OF RENO
RESOLUTION **23-08-05 RH**

A RESOLUTION AUTHORIZING THE HOUSING AUTHORITY OF THE CITY OF RENO ('THE AUTHORITY') TO EXECUTE ANY AND ALL DOCUMENTS NECESSARY TO PREPARE AND SUBMIT A SECTION 18 APPLICATION TO HUD FOR HAWK VIEW APARTMENTS AND AUTHORIZING THE AUTHORITY'S EXECUTIVE DIRECTOR AND DEPUTY EXECUTIVE DIRECTOR TO EXECUTE ALL DOCUMENTS RELATED TO THE SUBMISSIONS

WHEREAS, the Authority was organized for the purpose, among others, of developing and operating low-income housing; and

WHEREAS, the Authority is authorized to prepare, carry out, and operate projects, and provide for the acquisition, construction, reconstruction, rehabilitation, improvement, extension, alteration or repair of any project within its area of operation; and

WHEREAS, the Authority currently owns the one hundred (100) unit public housing development known as Hawk View Apartments, which it operates as family housing located at 1548 Steelwood Lane, Reno, Nevada (the "Project"); and

WHEREAS, the Authority wishes to reposition the Project from a public housing project to a project-based Section 8 project under the disposition rules authorized by Section 18 of the U.S. Housing Act of 1937 (42 U.S.C. 1437, *et seq.*), as amended; and

WHEREAS, the Authority intends to make various submissions to the U.S. Department of Housing and Urban Development ("HUD") to allow the Project to be converted from a public housing project to a project-based Section 8 project under the disposition rules authorized by Section 18 of the U.S. Housing Act of 1937 (42 U.S.C. 1437, *et seq.*), as amended, and expects HUD to approve such conversion, subject to the meeting of certain conditions by the Authority; and

WHEREAS, as a critical element of financing for the redevelopment of the Project, and in order to qualify for non-competitive 4% Low-Income Housing Tax Credits, the Authority wishes to request private activity bond volume cap from the City of Reno and to apply to the Nevada Housing Division for tax-exempt bond financing; and

WHEREAS, as a critical element of financing for the redevelopment of the Project, the Authority wishes to apply to the Washoe County HOME Consortium's Affordable Housing Municipal Loan Program for HOME Investment Partnership Program (HOME) funds; and

WHEREAS, the Board of Commissioners of the Authority deems it to be in the best interests of the Authority to take all actions to facilitate repositioning of the Project and the application to HUD under the disposition rules authorized by Section 18 of the

U.S. Housing Act of 1937 (42 U.S.C. 1437, *et seq.*), as amended; the application to the Nevada Housing Division for tax-exempt bond financing; and subsequent application for low income housing tax credits to the Nevada Housing Division; the application to the Washoe County HOME Consortium's Affordable Housing Municipal Loan Program for HOME funds; and to apply for any other financing, including Federal Home Loan Bank AHP Funds related to the project;

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Commissioners of the Housing Authority of the City of Reno that the Authority is hereby authorized to enter into, execute and deliver the following documents;

1. HUD Section 18 Application for the Project; and
2. City of Reno Private Activity Bond Volume Cap request; and
3. Nevada Housing Division Multi-Family Bond Application and subsequent Low Income Housing Tax Credit Application; and
4. Washoe County HOME Consortium's Affordable Housing Municipal Loan Program Application; and
5. Other applications for any other financing, including the Federal Home Loan Bank Affordable Housing Program (AHP) Application.

BE IT FURTHER RESOLVED, that Dr. Hilary Lopez, the Executive Director of Authority, or in her absence Heidi McKendree, the Deputy Executive Director of the Authority, are hereby authorized, empowered and directed, on behalf of the Authority for its own account, to take such actions set forth and take such further actions, and to execute such additional documents or instruments, as the persons taking such actions, or executing such documents or instruments, may deem necessary or appropriate in connection with matters authorized in the foregoing resolutions, and the signature of such Executive Director or Deputy Executive Director or any documents of instrument or the performance of any such actions shall be conclusive evidence of such Executive Director or Deputy Executive Director's authority to take such actions or execute such documents or instrument on behalf of the Authority for its own account; and

RESOLVED FURTHER, that any and all acts heretofore taken by such Executive Director and Deputy Executive Director of the Authority in connection with the matters authorized by the foregoing resolutions are hereby ratified, confirmed, adopted and approved by the Board of Commissioners of the Authority.

ADOPTED THIS 22nd DAY OF August, 2023.

ATTEST

CHAIRPERSON

SECRETARY

RENO HOUSING AUTHORITY

AGENDA ITEM NUMBER: 9
August 22, 2023

SUBJECT: Discussion and possible action to approve the Purchase and Sale Agreement with Paradise Retail I, LLC, for “Parcel 4-B” on the Paradise Plaza shopping center site plan for a total fiscal impact of \$1.00 for initial purchase of the site. (For Possible Action)

FROM: Executive Director

RECOMMENDATION: For Possible Action

Background:

In August of 2022, the RHA responded to a Request for Proposal released by CIRE Equity soliciting projects that would utilize a parcel within the Paradise Plaza Shopping Center that would serve the neighboring community while improving the Oddie District, currently being redeveloped by the City of Sparks. The parcel consists of a movie theater that served the area many years ago but has not been consistently utilized since that time.

RHA’s proposal consisted of a community services hub that would house RHA’s Resident Services programs. RHA was notified in early 2023 that our proposal had been selected and would receive the parcel in its current condition as a donation with rehabilitation the responsibility of RHA. Staff, legal counsel, and CIRE Equity have been negotiating the terms of a Purchase and Sale Agreement for the past several months. Before you today are the result of those efforts.

Based on feedback received from the Board at the closed session Board of Commissioners meeting held July 17, 2023, the agreement contains the following items that have been determined to be agreeable to all parties based on prior discussions.

- **Purchase Price:** Purchaser shall pay to Seller \$1.00.
- **Use of Property:** Purchaser shall commence renovation of the Property within twelve (12) months following the Closing Date and open for business within twenty-four (24) months following the Closing Date. Space usage may possibly include, but is not limited to, a daycare facility, classroom space, office/administration space, and/or a performing arts theater.
- **Development Costs:** Purchaser shall be responsible for payment of all costs, fees, expenses, impositions, charges, donations, or other amounts arising from, related to or in connection with Purchaser’s ownership or development of the Property.
- **Option to Repurchase:** If Purchaser, during the first fifteen (15) years after closing (i) has not complied with the terms set forth, then Seller shall have the option, as its sole remedy, to purchase the Property and any improvements thereon at \$1.00. In lieu of the rights and remedies set forth in Section 20(a), in the event of a breach by Purchaser of the terms and conditions in the Agreement, Seller may elect to require Purchaser to pay to Seller as liquidated damages an amount equal to \$250,000.00. Upon payment of liquidated damages, the Agreement shall be deemed satisfied and terminated.

- **First Right of Offer:** In the event Purchaser desires to resell the Property or any portion thereof, Purchaser shall notify Seller prior to listing the property for sale. The purchase price for the repurchase shall be \$1.00 plus the unamortized value of applicable, verified and reasonable hard construction costs for any improvements made to the Property (amortized over 10 years) not to exceed \$300,000.00.

It should be noted that the First Right of Offer is not time restricted and only expires upon Seller electing to receive liquidated damages in the event of a breach.

Attached please find an updated, clean version of the Purchase and Sales agreement for your review.

Staff will continue to separately negotiate terms to potentially lease the lobby expansion area. However, the lease of this area is not required to purchase this site.

Staff are seeking approval from the Board of Commissioners of the Purchase and Sales Agreement. Furthermore, staff is seeking authorization for the Executive Director, Hilary Lopez, Ph.D., to sign, execute, and record all required documents to move forward with the purchase.

Staff Recommendation:

Staff recommends that the Board of Commissioners approve the Purchase and Sales Agreement as presented with Paradise Retail I, LLC, for "Parcel 4-B" on the Paradise Plaza shopping center site plan and authorize the Executive Director to sign, execute, and record all required documents to effectuate the purchase.

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("Agreement") is made as of _____, 2023 (the **"Effective Date"**), by and between PARADISE RETAIL I, LLC, a California limited liability company, or its assignee (**"Seller"**), and the HOUSING AUTHORITY OF THE CITY OF RENO, a municipal corporation under Chapter 315 of the Nevada Revised Statutes (**"Purchaser"**).

RECITALS:

A. Seller is the owner of that certain real property legally described on Exhibit A attached hereto and made a part hereof, and approximately depicted as **"Parcel 4-B"** on the Paradise Plaza (**"Shopping Center"**) site plan attached hereto and made a part hereof as Exhibit B, together with the existing building (the **"Building"**) and any additional improvements, alterations or additions thereon, and all easements and appurtenances belonging or in any way appertaining thereto (collectively, the **"Property"**).

B. The Property is generally located on Oddie Boulevard, Sparks (the **"City"**), County of Washoe and State of Nevada 89431, as depicted on Exhibit B.

C. Purchaser desires to purchase, and Seller desires to sell, all of Seller's right, title and interest in and to the Property, upon and subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser hereby agree as follows:

1. **Sale of Property.** Seller agrees to sell to Purchaser and Purchaser agrees to purchase from Seller, all of Seller's right, title and interest in and to the Property, upon and subject to the terms and conditions hereinafter set forth.

2. **Purchase Price.** Purchaser shall pay to Seller, as consideration for the purchase of the Property, the sum (**"Purchase Price"**) of One and 00/100 Dollars (\$1.00). The Purchase Price, plus prorations and other adjustments, if any, shall be due at Closing and shall be paid by wire transfer of immediately available funds. The parties acknowledge and agree that, notwithstanding the Purchase Price, (a) the value of the Property as of the Closing Date will be determined by a qualified appraisal to be performed by Seller at Seller's sole expense, (b) Purchaser is a tax exempt organization under Chapter 315 of the Nevada Revised Statutes, and (c) that the transaction contemplated by this Agreement is a charitable donation to Purchaser for which Seller may be eligible to receive a taxable deduction in the amount set forth in subsection (a), in accordance with Section 170 of Internal Revenue Code. At Closing, Purchaser agrees to execute IRS Form 8283 related to the appraised value of the Property. Upon written request from Seller delivered on or following the Closing, Purchaser agrees to provide an acknowledgement of clauses (b) and (c) in a form reasonably requested by Seller. Each party hereto acknowledges, understands and agrees that no other party is providing, or has provided, any tax, accounting, or legal advice to it and that no party makes any representation regarding any tax obligation, deduction, deductibility, or consequences related to or arising from this Agreement, and each party assumes sole responsibility and liability for its federal, state, and/or local tax obligations, benefits, deductions, or consequences that may arise from or relate to this Agreement, and that it will not seek any indemnification from or otherwise seek to impose any liability on any other party in regard thereto.

3. **Conditions Precedent to Closing/Title/Survey.** Within fifteen (15) following the Effective Date, Seller shall furnish to Purchaser a current title commitment (**"Commitment"**) for an owner's title insurance policy (with copies of all underlying title documents listed in the Commitment other than any financing documents encumbering the Property) issued by Fidelity National Title, National Commercial Services (**"Title Company"**) 4370 La Jolla Village Drive, Suite 240, San Diego, CA 92122 (858/334-6901), Samantha Maestas, VP, Commercial Escrow Officer, smaestas@fnf.com (**"Escrow Agent"**). Seller shall obtain, at Purchaser's sole cost and expense, a survey of the Property (**"Survey"**) and deliver same to Purchaser within twenty-one (21) following receipt of the Commitment. If the Survey discloses survey defects or if the Commitment shows exceptions that are

objectionable to Purchaser, then Purchaser shall notify Seller, in writing, on or before the date that is ten (10) business days following receipt of the Survey, specifying any such objectionable title or survey matter (the “**Title Objections**”), and, within ten (10) business days following receipt of the Title Objections (the “**Cure Period**”), Seller may provide adequate assurances that any such objectionable title or survey matter will be removed or endorsed over on or before Closing; provided, however, Seller shall not be in breach or default of this Agreement if Seller does not provide such assurances, it being understood that Seller shall have no duty or obligation to cause any objectionable title or survey matter to be removed or endorsed over. Matters disclosed by the Commitment or the Survey which are not objected to by Purchaser in a timely manner or which are objected to but which are waived by Purchaser shall constitute “**Permitted Encumbrances**”; any other title or survey matters shall constitute “**Unpermitted Encumbrances**”; provided, however, Purchaser agrees and acknowledges that the matters contained in Exhibit C attached hereto and made a part hereof shall each constitute a “**Permitted Encumbrance**”. Failure of Purchaser to notify Seller in writing of Title Objections within the time periods prescribed herein shall constitute an election by Purchaser to take title to the Property subject to the matters contained in Exhibit C and all such title and survey matters as are disclosed by the Commitment and the Survey. If, after using reasonable efforts, as aforesaid, Seller cannot cause such Unpermitted Encumbrances to be removed or if Seller cannot cause the Title Company to issue its endorsement over any such Unpermitted Encumbrances on or before the expiration of the Cure Period, Purchaser shall, within five (5) business days following expiration of the Cure Period (“**Contingency Date**”), elect to either (1) terminate this Agreement (other than any obligations which survive such termination as specifically provided herein), or (2) take title to the Property as it then is (without any abatement in the Purchase Price). Failure of Purchaser to notify Seller within the time limits prescribed herein shall constitute an election under clause (1) of this Section. Purchaser shall have the right unilaterally to waive this condition precedent by written notice to Seller. If the Agreement is terminated pursuant to the terms of this Section 3, Purchaser shall be responsible for the cost of the Survey and any escrow cancellation charges and Title Company charges through the date of such termination, which obligation shall survive the termination.

4. Use of Property/License Agreement.

(a) Purchaser shall commence renovation of the Property within twelve (12) months following the Closing Date and open for business within twenty-four (24) months following the Closing Date for the purpose of operating The Housing Authority of the City of Reno’s community-oriented service space possibly including, but not limited to, a daycare facility, classroom space, office/administration space, and/or a performing arts theater, all in compliance with applicable laws, ordinances and regulations and in such a manner so as not to violate any agreement affecting the Property, Seller or the Shopping Center, including the Superior Documents (as defined on Exhibit C attached hereto), and for no other use or purpose whatsoever (the “**Permitted Use**”). Purchaser acknowledges and agrees that Seller shall have reasonable approval rights over the location of any garbage compactor or dumpster and the location of any child drop off/pick up area to confirm same does not interfere with the operation of the Shopping Center. Purchaser agrees to abide by and comply with all such reasonable and non-discriminatory rules and regulations for the Shopping Center. A copy of the Shopping Center Rules and Regulations currently in effect shall be provided upon request. At Closing, the parties shall execute and deliver an instrument (the “**Declaration of Permitted Use Restrictive Covenants**”) to reflect the terms above, among other items, in substantially the form attached hereto and made a part hereof as Exhibit E, which Declaration of Permitted Use Restrictive Covenants shall constitute a Permitted Encumbrance. Following Purchaser’s opening of the Building as set forth above, Purchaser shall not at any time leave the Building vacant for a period in excess of nine (9) months but shall in good faith continuously operate and conduct in the entire Building the Permitted Use. In addition to any remedy Seller may have at law or in equity for a breach of covenants contained in this Section, Seller shall have the rights and remedies set forth in Section 20 hereof. The provisions of this Section and of Section 20 hereof shall survive Closing and execution and delivery of the Deed.

(b) **License Agreement.** At Closing, the parties shall execute and deliver a license agreement for an outdoor play area in substantially the form attached hereto and made a part hereof as Exhibit F (“**License Agreement**”).

(c) **Expansion Lobby Area.** Seller acknowledges the Purchaser may desire to lease the Expansion Lobby Area shown on Exhibit G attached hereto and that a lease may be agreed upon by Seller and Purchaser (“**Expansion Lobby Lease**”) following closing of this transaction. Purchaser shall have the right first refusal, but

not the obligation, to lease the Expansion Lobby Area on terms and conditions agreeable to the parties, in at least as favorable terms as offered by Seller to any third party prior to entering a lease with any third party.

5. **Representations and Warranties.**

(a) **Authority of Seller.** Seller represents and warrants to Purchaser that Seller is a limited liability company duly organized and validly existing and in good standing under the laws of the State of California; Seller has the requisite power and authority to enter into and perform this Agreement and Seller's closing documents; such documents have been duly authorized by all necessary action on the part of Seller and have been or will be duly executed and delivered; such execution, delivery and performance by Seller of such documents will not conflict with or result in a violation of Seller's organizational documents, or any judgment, order, or decree of any court or arbiter to which Seller is a party; such documents are valid and binding obligations of Seller, and are enforceable against Seller in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, creditor's rights and other similar laws.

(b) **Authority of Purchaser.** Purchaser represents and warrants to Seller that Purchaser is a municipal corporation under Chapter 315 of the Nevada Revised Statutes duly organized and validly existing and in good standing under the laws of the State of Nevada; that Purchaser has the requisite power and authority to enter into this Agreement and the Purchaser's closing documents; such documents have been duly authorized by all necessary action on the part of Purchaser and have been or will be duly executed and delivered; that the execution, delivery and performance by Purchaser of such documents will not conflict with or result in violation of Purchaser's organizational documents, or any judgment, order or decree of any court or arbiter to which Purchaser is a party; such documents are valid and binding obligations of Purchaser, and are enforceable against Purchaser in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, creditor's rights and other similar laws.

6. **Closing.**

(a) **Closing Date.** The closing of the purchase and sale contemplated by this Agreement (the "**Closing**") shall occur on or before the date ten (10) business days following the Contingency Date ("**Closing Date**") subject to any extensions of delays specifically described herein, at the office of the Title Company, or at such other time and place as the parties may mutually agree.

(b) **Purchaser's Closing Conditions Precedent.** Purchaser's obligation to consummate the transaction contemplated by this Agreement shall be subject to satisfaction or waiver of each of the following conditions ("**Purchaser's Closing Conditions Precedent**"), but Purchaser shall have the unilateral right to waive any Purchaser's Closing Condition Precedent, in whole or in part, by written notice to Seller:

- (i) The representations and warranties of Seller set forth in Section 5 hereof shall be, in all material respects, true and complete.
- (ii) Seller shall have performed all of the obligations required to be performed by Seller under this Agreement, as and when required by this Agreement, in all material respects.

(c) **Seller's Closing Conditions Precedent.** Seller's obligation to consummate the transaction contemplated by this Agreement shall be subject to satisfaction or waiver of each of the following conditions ("**Seller's Closing Conditions Precedent**"), but Seller shall have the unilateral right to waive, in whole or in part, any Seller's Closing Condition Precedent by written notice to Purchaser:

- (i) The representations and warranties of Purchaser set forth in Section 5 hereof shall be, in all material respects, true and complete.

- (ii) Purchaser shall have performed all of the obligations required to be performed by Purchaser under this Agreement, as and when required by this Agreement, in all material respects.

In the event Purchaser's Closing Conditions Precedent or Seller's Closing Conditions Precedent, as the case may be, have not been satisfied or waived as of the scheduled Closing Date (or, with respect to Purchaser's Closing Condition Precedent described in Section 6(b)(iii) above, during the time periods prescribed therein), and provided the failure to satisfy or waive any such condition is not attributable to a breach or default of this Agreement by Seller or Purchaser, as the case may be, this Agreement shall terminate (other than any obligations which survive such termination as specifically provided herein).

7. **Closing Deliveries.** On the Closing Date, Seller, Purchaser and/or Title Company, as indicated below, shall execute and/or deliver to the applicable party or cause to be executed and/or delivered the following:

(a) **Deed.** Seller shall execute and deliver a Grant, Bargain and Sale Deed ("**Deed**") conveying all of Seller's right, title and interest in and to the Property to Purchaser, free and clear of all encumbrances, except the Permitted Encumbrances.

(b) **Seller's Affidavit.** Seller shall execute and deliver an Affidavit of Seller as required by the Title Company.

(c) **FIRPTA Affidavit.** Seller shall execute and deliver a non-foreign affidavit properly containing such information as is required by IRC Section 1445(b)(2) and its regulations.

(d) **Title Documents.** Each party shall deliver such affidavits of Seller and/or Purchaser, transfer declarations or other documents required of Seller and/or Purchaser as may be reasonably required by Title Company in order to record the Deed and issue the title insurance policy contemplated by this Agreement.

(e) **Purchase Price.** Purchaser shall deliver the Purchase Price, by wire transfer of immediately available funds.

(f) **Closing Statement.** Purchaser and Seller shall execute and deliver a closing and disbursement statement showing the Purchase Price, the costs and expenses of the Closing attributable to each of Purchaser and Seller, and the disbursement of funds to Seller.

(g) **Declaration of Permitted Use Restrictive Covenants.** Purchaser and Seller shall execute and deliver the Declaration of Permitted Use Restrictive Covenants described in Section 4 hereof and set forth in Exhibit E attached hereto and made a part hereof.

(h) **License Agreement.** Purchaser and Seller shall execute and deliver the License Agreement described in Section 4(b).

(i) **Memorandum of Seller's Post Closing Rights.** Purchaser and Seller shall execute and deliver the Memorandum of Seller's Post Closing Rights described in Sections 20 and 21 hereof and set forth in Exhibit D attached hereto and made a part hereof.

(j) **IRS Form 8282.** Purchaser and Seller shall execute and deliver IRS Form 8283 related to the value of the Property.

This transaction shall be closed through an escrow with the escrow department of the Title Company ("**Escrowee**"), in accordance with the general provisions of the Escrowee's usual form of escrow agreement with special provisions as may be required to conform to this Agreement. The attorneys for both Seller and Purchaser are authorized to sign the escrow agreement. Upon the creation of such escrow, payment of the Purchase Price and delivery of the Deed shall be made through the escrow. The cost of the escrow shall be divided equally between

Seller and Purchaser, but Purchaser shall be responsible for any costs associated with a separate money lender's escrow. This Agreement shall not be merged into nor in any manner superseded by the escrow agreement.

8. **Adjustment and Prorations.** Seller and Purchaser shall make all adjustments and apportion all expenses with respect to the Property, including, without limitation, the following:

(a) **Real Estate Taxes and Special Assessments.** Real estate taxes and special assessments (including, without limitation, any taxes imposed in connection with any tax increment financing district, transportation development district, special assessment district, sanitary improvement district, local improvement district or any similar district of which the Shopping Center (or any portion thereof) is a part) shall be prorated as of the date immediately preceding the Closing Date based upon 100% of the most recently ascertainable tax bills covering the Property. Purchaser shall be responsible for the payment of all real estate taxes and installments of special assessments following Closing. All taxes levied or assessed against the Property or any improvements thereon following the Closing Date shall be the sole obligation and responsibility of Purchaser.

(b) **Title Insurance and Survey.** Purchaser shall pay for the cost of ordering the Commitment and the cost of the Title Policy (excluding the cost of any and all endorsements thereto). Purchaser will pay for the cost of any endorsements to the Title Policy which Purchaser is able to obtain from the Title Company, and all costs of any lender's title insurance policy. Purchaser shall pay the cost of the Survey obtained by Seller at Closing.

(c) **Closing Fee.** Seller and Purchaser will each pay one-half of any reasonable and customary closing fee by the Title Company.

(d) **Transfer Tax.** Purchaser shall pay all state deed tax or transfer tax regarding the Deed to be delivered by Seller under this Agreement.

(e) **Recording Costs.** Purchaser will pay the cost of recording all documents necessary to place record title in the condition required by this Agreement and the cost of recording the Deed and all other documents.

(f) **Attorney's Fees.** Purchaser shall pay the attorneys fees for both parties at Closing.

(g) **Development Costs.** Purchaser shall be responsible for payment of all costs, fees, expenses, impositions, charges, donations, or other amounts arising from, related to or in connection with Purchaser's ownership or development of the Property, including, without limitation, tap fees, permit fees, impact fees, utility connection charges, fees related to acquiring water rights, or other similar or dissimilar items concerning the development, ownership and operation of the Property. Purchaser acknowledges that, to the extent necessary, it shall be responsible for purchasing any water rights required for the Property from Truckee Meadows Water Authority ("TMWA"). TMWA sets and controls the fee for such water rights. Purchaser shall be required to provide documentation to TMWA relative to planned or existing structures in order for TMWA to verify Purchaser's acre feet. The covenants of Purchaser set forth above shall survive Closing and execution of the Deed.

(h) **Other Costs.** Purchaser shall pay all other costs at Closing.

Except as otherwise expressly provided in this Agreement, all prorations provided for herein shall be final.

9. **Default.**

(a) If Purchaser defaults in its obligation to consummate this Agreement, Seller shall be entitled to terminate this Agreement and Seller shall be entitled to the payment by Purchaser to Seller of all of Seller's expenses in connection with the sale of the Property including, without limitation title fees, cost of the Survey and Seller's legal costs, as Seller's sole and exclusive remedies in the event of a default by Purchaser in consummating this Agreement.

(b) If Seller defaults in its obligation to consummate this Agreement, Purchaser shall be entitled either to terminate this Agreement or to enforce specific performance of the terms and provisions of this Agreement, which

specific performance remedy shall be exercised, if at all, by instituting litigation proceedings within two (2) months of the scheduled Closing Date, as Purchaser's sole and exclusive remedy in the event of a default by Seller in consummating this Agreement. Should Purchaser prevail in demonstrating a Seller default in such litigation, Seller waives any further defense to the specific performance claim.

10. **Condemnation.** If, prior to the Closing Date, eminent domain proceedings are commenced against all or any substantial part of the Property, Seller shall immediately give notice to Purchaser of such fact and at Purchaser's option (to be exercised within 30 days after Seller's notice), this Agreement shall terminate, in which event neither party will have further obligations under this Agreement (other than any obligations which survive such termination as specifically provided herein). If Purchaser shall fail to give such notice then there shall be no reduction in the Purchase Price, and Seller shall assign to Purchaser at the Closing Date all of Seller's right, title and interest in and to any award made or to be made in the condemnation proceedings. For purposes of this Section, the words "substantial part" mean the fair market value of the portion of the Property so taken exceeds \$50,000.00.

11. **Broker's Commission.** Seller represents and warrants to Purchaser that in connection with the transaction contemplated hereby no third party broker or finder has been engaged or consulted by Seller or is entitled to compensation or commission in connection herewith. Seller agrees to defend, indemnify and hold harmless Purchaser from and against any and all claims of brokers, finders of any like third party claiming any right to commission or compensation by or through acts of Seller in connection herewith. Purchaser represents and warrants to Seller that in connection with the transaction contemplated hereby, no third party broker or finder has been engaged or consulted by Purchaser or is entitled to compensation or commission in connection herewith. Purchaser agrees to defend, indemnify and hold harmless Seller from and against any and all claims of brokers, finders or any like party claiming any right to commission or compensation by or through acts of Purchaser in connection herewith. The indemnity obligations hereunder shall include all damages, losses, risks, liabilities, and expenses (including reasonable attorneys' fees and costs) arising from and related to matters being indemnified hereunder and shall survive Closing and execution of the Deed.

12. **Assignment.** Purchaser may not assign its rights under this Agreement without the prior written consent of Seller.

13. **Notices.** Any notice or other communication in connection with this Agreement shall be in writing and shall be sent by United States certified mail, return receipt requested, postage prepaid, by nationally recognized overnight courier guarantee next day delivery, by email (if an email address is listed below), by telecopy, or by personal delivery, properly addressed as follows:

If to Seller: Paradise Retail I, LLC
c/o CIRE Equity
530 B Street, Suite 2050
San Diego, CA 92101
Attention: Alexis Volen
Email: notices@cireequity.com

With a copy to: Daspin & Aument, LLP
300 S. Wacker Drive, Suite 2200
Chicago, Illinois 60606
Attn: Nicole R. Brown
Email: nbrown@daspinaument.com

If to Purchaser: Housing Authority of the City of Reno
Attn: Hilary Lopez
1525 East 9th Street
Reno, Nevada 89512
Email: HLopez@renoha.org
Phone: 775-329-3630

With a copy to: Ryan Russell, Esq.

Allison MacKenzie, Ltd.
 402 N. Division Street
 Carson City, Nevada 89703
 Email: russell@allisonmackenzie.com
 Phone: 775-687-0202

All notices shall be deemed given three (3) business days following deposit in the United States mail with respect to certified or registered letters, one (1) business day following deposit if delivered to an overnight courier guaranteeing next day delivery, and on the same day if sent by personal delivery or telecopy (with proof of transmission) or email. Attorneys for each party shall be authorized to give notices for each such party. Any party may change its address for the service of notice by giving written notice of such change to the other party, in any manner above specified.

14. **Miscellaneous.** The paragraph headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement, and are not to be considered in interpreting this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. This Agreement shall be governed by and construed in accordance with the laws of the State in which the Property is located. If either party shall bring suit against the other to enforce the terms of this Agreement, the losing party shall pay to the substantially prevailing party that percentage of the substantially prevailing party's costs and expenses, including reasonable attorneys' fees, equal to the percentage that the value of the judgment or award received by the substantially prevailing party bears to the total value of the judgment or award claimed by such party. The unenforceability or invalidity of any provisions hereof shall not render any other provision herein contained unenforceable or invalid. Time is of the essence of this Agreement. This Agreement may be executed in any number of counterparts, each of which shall be deemed a original, but all of which together shall constitute one and the same instrument.

15. **Entire Agreement; Modification.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter herein contained and all prior negotiations, discussions, writings and agreements between the parties with respect to the subject matter herein contained are superseded and of no further force and effect. No amendment to or modification of this Agreement shall be effective unless in writing and signed by both Seller and Purchaser. Except as otherwise expressly provided herein, no covenant, term or condition of this Agreement shall be deemed to have been waived by either party unless such waiver is in writing signed by the party charged with such waiver.

16. **"As Is" Sale.** Purchaser acknowledges that except as set forth in this Agreement and in Seller's closing documents (a) neither Seller, nor any principal, agent, attorney, employee, broker, or other representative of Seller, has made any representation or warranty of any kind whatsoever, either express or implied, with respect to the Property or any matter related thereto, and (b) Purchaser is not relying on any warranty, representation, or covenant, express or implied, with respect to the condition of the Property, and that Purchaser is acquiring the Property in its "as-is" condition with all faults. Seller makes no representations or warranties with respect to the use, condition, occupation or management of the Property, compliance of the Property with applicable statutes, laws, codes, ordinances, regulations or requirements or compliance of the Property with covenants, conditions, and restrictions, whether or not of record.

17. **Patriot Act Representations.** Seller and Purchaser each represent and warrant to the other that they are not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by the United States Treasury Department as a Specifically Designated National and Blocked Person, or for or on behalf of any person, group, entity, or nation designated in Presidential Executive Order 13224 as a person who commits, threatens to commit, or supports terrorism; and that they are not engaged in this transaction directly or indirectly on behalf of, or facilitating this transaction directly or indirectly on behalf of, any such person, group, entity, or nation.

18. **Intentionally deleted.**

19. **Intentionally deleted.**

20. **Option to Repurchase.**

(a) **Option Events.** If Purchaser, or its successor or assigns, during the first fifteen (15) years after closing (i) has not complied with the terms set forth in Section 4 of this Agreement, or (ii) changes the Permitted Use at the Property in violation of Section 4 of this Agreement, or (iii) fails to comply with the terms and conditions contained in the Superior Documents and such failure remains uncured for a period of thirty (30) days after written demand, then Seller shall have the option ("**Option**"), as its sole remedy, to purchase the Property and any improvements thereon, including the Building for a purchase price ("**Option Price**") to be determined in accordance with the provisions contained hereinbelow. After fifteen (15) years following closing, this Option shall terminate. Notwithstanding the foregoing, Purchaser acknowledges that there are third-party beneficiaries to the Superior Documents and the Declaration of Permitted Use Restrictive Covenants and that those parties may have remedies separate and in addition to Seller's remedies hereunder.

(b) **Exercise of the Option.** Seller may exercise its option to re-purchase the Property pursuant to this Section by delivering written notice of such intent to Purchaser and the Escrow Agent. Should Seller exercise the Option, it shall not be entitled to any other remedy for any alleged breach or default at law or in equity, including without limitation liquidated damages as provided in subsection g below.

(c) **Option Price.** The Option Price of the Property shall be One Dollar (\$1.00). As detailed below, any liens or deeds of trust or mortgages on the Property shall be discharged at the Closing.

(d) **Closing; Payment of Liens and Encumbrances.**

(i) Purchaser shall, at its sole cost and expense, within ten (10) days after receipt of notice of exercise of the Option, furnish to Seller (i) a commitment for an Owner's policy of title insurance issued by the Title Company (with copies of all underlying documents listed in the Commitment) showing title to the Property in Purchaser and subject only to the Permitted Encumbrances, with "extended coverage" over general exceptions 1-5, Seller, and (ii) a plat of survey for the Property prepared in accordance with the Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys, as revised in 2005 for an urban class survey. Seller shall be allowed thirty (30) days after receipt of such commitment and survey for examination and the making of objections thereto. If any objections are so made, Purchaser shall be allowed thirty (30) days to remove the objections or cause the Title Company to issue its endorsement over such objections. If said objections are not removed or the Title Company is not prepared to issue its endorsement over any such objections within thirty (30) days from the date of objection thereto, as above provided, any agreement of purchase resulting from the exercise of the Option shall, at the written election of Seller, be null and void. Seller shall exercise its election by declaring such resulting purchase agreement null and void by giving Purchaser written notice to such effect within twenty (20) days after the expiration of the aforesaid 30-day period. Failure of Seller to give notice as aforesaid shall constitute an election by Seller to take title to the Property as it then is (with the right to deduct from the Option Price liens or encumbrances of a definite or ascertainable amount). If title to the Property is without objection, or is so made within thirty (30) days from the date of written objection thereto, and Purchaser shall default in its agreement to sell the Property, then Seller may terminate its exercise of the Option and any resulting purchase agreement, but this provision shall not deprive Seller of the right of claim for damages or enforcing specific performance.

(ii) Closing of said sale, pursuant to exercise of the Option, shall be within ninety (90) days after the notice of exercise of the Option by Seller, save and except for extensions caused by defects in title as above provided. The purchase of Purchaser's interest in the Property shall be consummated through an escrow established with the Escrow

Agent. The Option Price shall be payable in cash or other method acceptable to Purchaser. Title to the Property shall be conveyed by Purchaser to Seller, or Seller's nominee, by grant, bargain and sale deed, subject only to the Permitted Encumbrances. Without limiting the generality of the foregoing, title to the Property shall be free and clear of any lease, license, occupancy, franchise or similar agreement, and exercise of the Option shall automatically cancel and terminate any such agreement and the rights and privileges of any party in possession. Current real property taxes and installments of special assessments shall be prorated as of the date of closing. Seller shall be responsible for the costs of recording the deed and Purchaser shall be responsible for any escrow charges charged by the Title Company at closing.

(e) Termination. Upon expiration of any Option, Seller agrees to duly execute and deliver freely, without charge, to Purchaser a release (properly executed, acknowledged and in recordable form) of such Option and any interest of Seller in the Property arising out of each such Option, following request by Purchaser therefore accompanied by a form of release. The separate Options herein granted shall automatically terminate upon the performance by Purchaser of the condition which if not performed would trigger the Option as to said option.

(f) Casualty or Condemnation. Condemnation subsequent to exercise of the Option shall permit Seller to cancel any purchase agreement resulting therefrom or to purchase the Property subject to such proceeding with the right to receive the award for any such taking of the Property (but prior to closing of the Option). In case the Property is damaged or destroyed by fire or other casualty subsequent to exercise of the Option, Purchaser shall provide Seller with notice of such event and Seller shall have the right to terminate any purchase agreement resulting from the exercise of the Option within twenty (20) days after receiving written notice of such fire or other casualty. In the event that Seller shall not elect to terminate any purchase agreement resulting from the exercise of the Option, the Option shall close as scheduled and Purchaser shall deliver to Seller, at closing, an assignment of all of Purchaser's right, title and interest in any property insurance proceeds as provided above together with an amount equal to the amount of any "deductible" or uninsured loss. Time shall be of the essence in the performance of the terms and conditions of the Option.

(g) Liquidated Damages. In lieu of the rights and remedies set forth above, in the event of a breach by Purchaser of the terms and conditions set forth in subsection (a), Seller may elect to require Purchaser to pay to Seller, ~~or Purchaser may elect to pay Seller,~~ as liquidated damages an amount equal to Two Hundred Fifty Thousand and 00/100 Dollars (\$250,000.00). Seller and Purchaser agree that it would be impractical and extremely difficult to fix actual damages that would be suffered by Seller as a result of such breach and that the impracticability or difficulty of fixing damages as a result thereof under the circumstances existing as of the date of this Agreement is a result of, among other things, the losses which will have resulted from Seller's inability to satisfy any co-tenancy or similar agreements with other tenants or occupants of the Shopping Center. The payment of such amount to Seller as liquidated damages is not intended to be a penalty, but instead is intended to constitute liquidated damages to Seller and is a reasonable estimate of the damages that will be incurred by Seller if Purchaser breaches its obligations under subsection (a). Purchaser and Seller each covenant not to bring any action or suit challenging the amount of liquidated damages provided hereunder in the event of such breach. Any amounts due from Purchaser under this subsection that is not paid when due shall bear interest from the due date until the date of payment at an interest rate equal to ten percent (10%) per annum, and such amounts shall be secured by a lien upon the Property, effective upon the recording thereof in the Office of the Recorder of Washoe County, Nevada. Any such lien may be foreclosed upon in the same manner as provided for enforcement of mechanics liens or liens securing mortgage indebtedness. Should Seller elect to receive payment from Purchaser hereunder, this Agreement shall be deemed satisfied and terminated, and Seller shall have no further claim in relation hereto, no other claim against Purchaser, and no claim to the Property, including without limitation, any first right of refusal Seller may otherwise enjoy if it did not opt for the liquidated damages described in this paragraph.

(h) The provisions of this Section 20 shall survive Closing and execution and delivery of the Deed. At Closing, the parties shall execute an instrument in recordable form (the "**Memorandum of Seller's Post Closing Rights**") setting forth the pertinent terms of the provisions contained in this Section 20, which instrument shall be in the form of Exhibit D attached to and made a part of the Agreement.

21. **First Right of Offer.** In the event Purchaser desires to resell the Property or any portion thereof, Purchaser shall notify Seller prior to listing the Property for sale. The Purchase Price for the repurchase under this subsection shall be One and 00/100 Dollars (\$1.00) plus the unamortized value of applicable, verified, and reasonable hard construction costs for any improvements made to the Property (amortized over 10 years) not to exceed Three Hundred Thousand and 00/100 Dollars (\$300,000.00) (the "**Repurchase Price**"). If within ten (10) days of receipt of Purchaser's notice, Seller gives Purchaser notice of election by Seller to purchase the property at the Repurchase Price, Purchaser shall be obligated to sell the property to Seller at the Repurchase Price, Seller shall purchase the property at the Repurchase Price, and the sale shall close within ninety (90) days after Purchaser's receipt of Seller's notice. If Seller shall not notify Purchaser of its desire to purchase the property within ten (10) days, at the Repurchase Price, Purchaser may then put the Property on the market. In the event Purchaser receives a bona fide offer for less than the Repurchase Price by any person or entity, Purchaser shall provide written notice to Seller of such interested party and provide Seller with a copy of any such offer or contract detailing the terms and conditions of the proposed sale (the "**Offer**"). For thirty (30) days after receipt of such written notice, Seller shall have the right to elect to match or meet the Offer. In the event Seller shall elect to match or meet the Offer to purchase, Seller shall signify such election by written notice to Purchaser within such thirty (30) day period, and the sale shall close within ninety (90) days after receipt of such notice on the same terms and conditions as the Offer. This first right of offer shall be a continuing right which shall be renewed upon any change in the terms or conditions of the Offer or upon any subsequent Offer. Any sale described above shall be conducted generally in accordance with the procedures set forth in Section 20, including without limitation, the furnishing to Seller of a commitment for an Owner's policy of title insurance and a survey as set forth in Section 20. Any provision in this subsection to the contrary notwithstanding, provided that the Transferee (as hereafter defined) agrees to be bound by the terms and conditions of Section 20, Purchaser may transfer the Property, in whole or in part, without creating an obligation under this paragraph, to: (i) any corporation into which or with which Purchaser has merged or consolidated; (ii) any parent, subsidiary, successor or affiliated corporation of Purchaser; (iii) any partnership of which more than seventy-five percent (75%) of the partnership interest shall be owned by Purchaser or the parent corporation of Purchaser, provided Purchaser or such parent corporation is a general partner; and (iv) any shareholder or Purchaser may transfer his/her ownership interest to his/her spouse or issue (the "**Transferee**"). The provisions of this Section 21 shall survive Closing and execution and delivery of the Deed. At Closing, the parties shall execute an instrument in recordable form (the "**Memorandum of Seller's Post Closing Rights**") setting forth the pertinent terms of the provisions contained in this Section 21, which instrument shall be in the form of Exhibit D attached to and made a part of the Agreement.

22. **Exchange.** If either Purchaser or Seller intends for this transaction to be part of a Section 1031 like-kind exchange, then the other party agrees to cooperate in the completion of the like-kind exchange so long as the cooperating party incurs no additional liability in doing so, and so long as any expenses incurred by the cooperating party that are related only to the exchange are paid or reimbursed to the cooperating party at or prior to Closing. Either party shall be permitted to assign its interest in this Agreement to a qualified exchange intermediary to complete an exchange notwithstanding any provision in this Agreement to the contrary.

23. **Survival of Terms.** The parties agree that unless otherwise specifically provided in this Agreement, any obligation which reasonably should or could be performed after the completion of the sale and transfer of the Deed shall survive the Closing and transfer of the Deed, shall not terminate and shall otherwise be a continuing agreement between the parties, enforceable after Closing.

24. **Waiver of Jury Trial.** To the extent permitted by applicable law, the parties hereby waive any right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

25. **Exhibits.** The following exhibits are made a part hereof, with the same force and effect as if specifically set forth herein:

- Exhibit A – Legal Description
- Exhibit B – Site Plan
- Exhibit C – Permitted Encumbrances
- Exhibit D – Memorandum of Seller's Post Closing Rights
- Exhibit E – Form of Declaration of Permitted Use Restrictive Covenants

26. **Title Company Joinder.** In connection with Escrow Agent's joinder of this Agreement, Purchaser and Seller each agree to jointly and severally indemnify and hold harmless Escrow Agent, and any successor or permitted assign, from and against any and all losses, liabilities, claims, actions, damages and expenses, including reasonable attorneys' fees, arising out of or in connection with this Agreement, except for claims against Escrow Agent based upon Escrow's Agent's failure to comply with its obligations or its gross negligence or willful misconduct. Escrow Agent is entitled to rely upon any order, judgment, certification, demand, notice, instrument or other writing delivered to it hereunder without being required to determine the authenticity or the correctness of any fact stated therein or the propriety or validity of the service thereof. Escrow Agent may act in reliance upon any instrument or signature believed by it to be genuine and may assume that any person purporting to give any notice or receipt or advice or to make any statement or executing any document in connection with the provisions hereof has been duly authorized to so do. If Escrow Agent is in doubt as to what action it should take hereunder, Escrow Agent is entitled to interplead the other parties for a determination of the matter with a court of competent jurisdiction. Escrow Agent shall not undertake such interpleader unless it has given Purchaser and Seller a written notice 10 days before such interpleader as to the intentions of Escrow Agent. Purchaser and Seller agree to reimburse Escrow Agent for any expenses incurred in the event Escrow Agent interpleads this Agreement.

IN WITNESS WHEREOF, Seller and Purchaser have executed this Agreement as of the day and year first above written.

SELLER:

PARADISE RETAIL I, LLC,
a California limited liability company

By: CIRE Management, LLC,
a California limited liability company,
as Manager

By: _____

Its: _____

Date: _____

PURCHASER:

HOUSING AUTHORITY OF THE CITY OF
RENO, a municipal corporation under Chapter 315
of the Nevada Revised Statutes

By: _____

HILARY LOPEZ

Its: Executive Director

Date: _____

JOINDER

The Title Company is joining in the execution of this Agreement to evidence its agreement to act as Escrow Agent and hold and disburse any funds received in accordance with the terms and provisions of this Agreement.

TITLE COMPANY:

Fidelity National Title,

a _____

By: _____

Its: _____

Address:

4370 La Jolla Village Drive, Suite 240

San Diego, CA 92122

Samantha Maestas

VP, Commercial Escrow Officer

(858/334-6901)

EXHIBIT A

Legal Description

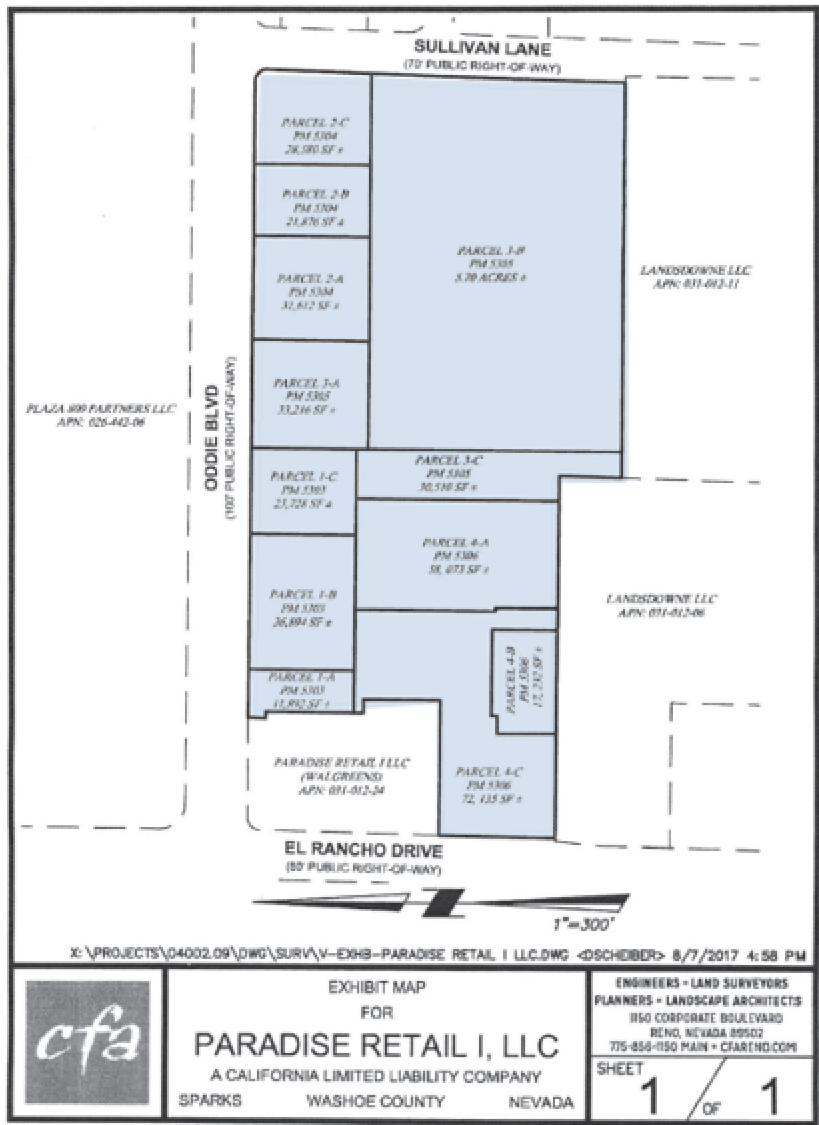
Parcel 4-B of Fourth Parcel Map No. 5306 for Paradise Retail I, LLC, according to the map thereof on August 4, 2017 as Instrument No. 4731648 of Official Records.

Assessors Parcel No. 031-012-40

EXHIBIT B

Site Plan

Purchaser understands that this Exhibit B is intended only to identify the real estate proposed to comprise the Shopping Center and the approximate boundary lines of the individual parcels and that this Exhibit B is not to be construed as a representation or covenant that the shape, size, location, number and extent of the building improvements shown therein shall be constructed.



PPLLC Lots

EXHIBIT C

Permitted Encumbrances

1. Taxes and assessments which are a lien, but which are not yet billed, or are billed but are not yet delinquent and any assessments not shown on the public records, and annual installments of special assessments levied subsequent to the date of this Agreement.
2. Any laws, regulations or ordinances (including, but not limited to, zoning, building and environmental matters) as to the use, occupancy, subdivision or improvements of the Property adopted or imposed by any governmental agency.
3. Acts done or suffered by, through or under, or judgments against, Purchaser.
4. Covenants, conditions and restrictions of record, including specifically that certain (i) Declaration of Restrictions and Grant of Easements dated December 5, 2007 and recorded December 10, 2007, in the Official Records of Washoe County, Nevada as Instrument No. 3601310, as may be amended from time to time; and (ii) that certain Supplemental Declaration of Easements, Covenants, Conditions and Restrictions for the PPLLC Lots of Paradise Plaza dated August 7, 2017 and recorded August 11, 2017, in the Official Records of Washoe County, Nevada as Instrument No. 4733652, as may be amended from time to time (the “**Superior Documents**”); private, public and utility easements and street, road and highway rights of ways, if any; party wall agreements, if any; special taxes or assessments for improvements not yet completed; installments not due at the date hereof of any special tax or assessment for improvements heretofore completed; and general taxes not yet due and payable.
5. Such other reasonable easements and restrictions as may be placed by Seller upon the Property in connection with the ownership or development of the Property or reasonably requested by local governmental agencies and divisions thereof.
6. Such other easements, restrictions or such other title matters and exceptions, as may be consented to by Purchaser in a separate writing, not to be unreasonably withheld or unduly delayed.
7. Any so-called exclusive agreement, restriction or use prohibition set forth in any lease or other agreement at the adjacent shopping center property identified on Schedule 1 attached to this Exhibit C. By acceptance of the Deed, Purchaser (i) agrees that the Property shall not be used for any purpose or use which would violate any so called exclusive agreement, restriction or use prohibition as provided above, and (ii) acknowledges that any such exclusive agreement, restriction or use prohibition has been granted and imposed for the benefit of certain tenants and occupants of the adjacent shopping center property, which tenants and occupants are third party beneficiaries of such exclusive agreements, restrictions and use prohibitions and shall be entitled (separately from Seller) to enforce the same directly against Purchaser and its successors and assigns in the event of a violation thereof.
8. The Memorandum of Seller’s Post Closing Rights.
9. The Declaration of Permitted Use Restrictive Covenants.

Schedule 1**PARADISE PLAZA EXCLUSIVES AND PROHIBITED USES****EXCLUSIVES****Carniceria**

Landlord agrees not to hereafter lease other space in the Shopping Center to a tenant or occupant whose primary business is the operation of either a meat market butcher shop or a Hispanic oriented grocery store...For the purposes hereof, the operation of either a meat market butcher shop or a Hispanic oriented grocery store as a primary business, with respect to a future tenant or occupant, shall mean that the greater of thirty five percent (35%) or more of any future tenant's or occupant's revenues from the operation of such primary business conducted at such future tenant's or occupant's premises are derived from, or thirty five percent (35%) or more of the retail Floor Area of such future tenant's or occupant's premises is dedicated to, the operation of such primary business.

Egg Roll King

Landlord agrees ...that it will not lease premises in the Shopping Center to another tenant whose primary focus or identity is the operation of a restaurant specializing in Chinese food items

H&R Block

Landlord agrees not to sell, lease, let use or permit to be used, any other property owned or controlled by it within the Shopping Center...to any entity whose primary business is tax preparation. As used herein, "primary use" shall mean deriving more than ten percent (10%) of a tenant's Gross Sales...from any tax preparation and electronic filing.

Jack in the Box

Landlord covenants and agrees not to permit the tenancy or operation of any hamburger-oriented business upon any land within the Shopping Center... "Hamburger-oriented" is defined ...as a business which obtains thirty percent (30%) or more of its gross revenues from the sale of hamburgers....

...Landlord expressly agrees that it will not permit the tenancy or operation of a fast food drive-thru Mexican Restaurant within the Shopping Center. This covenant excludes regular sit-down Mexican restaurants serving food with a waiter or waitress, and non drive thru quick casual Mexican restaurants, so long as the premises of such restaurants is more than 150 feet from [the Jack in the Box] Premises.

James Beauty

Landlord agrees not to hereafter lease other space in the Shopping Center to a tenant or occupant whose primary business is the operation of a beauty supply store selling beauty supplies, including the sale of human or synthetic hair, wigs, and/or hair extensions...For the purposes hereof, the operation of a beauty supply store selling, at retail, beauty supplies, including the sale of human or synthetic hair, wigs, and/or hair extensions as a primary business, with respect to a future tenant or occupant, shall mean that the greater of twenty percent (20%) or more of any future tenant's or occupant's revenues from the operation of such primary business conducted at such future tenant's or occupant's premises are derived from, or twenty percent (20%) or more of the retail Floor Area of such future tenant's or occupant's premises is dedicated to, the operation of such primary business.

Octapharma

Landlord will at no time...lease space in the Shopping Center to any tenant or occupant to operate a plasma collection center; and...permit any owner, tenant, or occupant of any portion of the Shopping Center, to operate a blood plasma collection center in the Shopping Center...

Paradise Laundry

Landlord agrees not to hereafter lease other space in the Shopping Center to a tenant or occupant whose primary business is the operation of a coin laundry and drop-off laundry facility...For the purposes hereof, the operation of a laundry facility as a primary business, with respect to a future tenant or occupant, shall mean the greater of twenty percent (20%) or more of any future tenant's or occupant's revenues from the operation of such primary business conducted at such future tenant's or occupant's premises are derived from, or twenty percent (20%) or more of the retail Floor Area of such future tenant's or occupant's premises is dedicated to, the operation of such primary business.

Walgreens

Landlord covenants and agrees that... no other portion of the Shopping Center...will be used for any one or combination of the following: (i) the operation of a so-called prescription pharmacy or prescription ordering, processing, or delivery facility, whether or not a pharmacist is present at such facility, or for any other purpose requiring a qualified pharmacist or other person authorized by law to dispense medicinal drugs, directly or indirectly, for a fee or remuneration of any kind; and (ii) the operation of a business in which photofinishing services (including, without limitation, digital photographic processing or printing, or the sale of any other photographic imaging services, processes or goods) or photographic film are offered for sale.

Hank's Farmer Market

Landlord agrees not to lease other space in the Shopping Center to a tenant or occupant whose primary business is the operation of an international grocery store that is conducting the following:

- (A) the sale, at retail, of produce, food products, frozen products and packaged goods and sundries typically found in an international grocery store; and
- (B) a seafood department and a butchery and meat department.

For purposes hereof, the operation of an international grocery store for purposes of item (A) hereinabove, as a primary business, with respect to a future tenant or occupant, shall mean that the greater of twenty percent (20%) or more of any future tenant's or occupant's revenues from the operation of such primary business conducted at such future tenant's or occupant's premises are derived from, or twenty percent (20%) or more of the Floor Area of such future tenant's or occupant's premises is dedicated to, the operation of such primary business. For purposes hereof, the operation of an international grocery store for purposes of item (B) hereinabove, as a primary business, with respect to a future tenant or occupant, shall mean that twenty percent (20%) or more of the Floor Area of such future tenant's or occupant's premises is dedicated to the operation of such primary business.

PROHIBITED USES

Declaration of Restrictions and Grant of Easements (Recorded in Document No. 3601310, as amended and assigned from time to time) ("Declaration")

No part of the [Shopping Center] may be used for any use which is a public or private nuisance; any use which produces noise or sound that is objectionable due to intermittence, high frequency, shrillness or loudness, any use which produces obnoxious odors; any use which produces noxious, toxic, caustic or corrosive fumes, fuel or gas; any use which produces dust, dirt or fly ash in excessive quantities; any use which produces fire, explosion, or other damaging or dangerous hazard (provided the seasonal sale of legally permitted fireworks shall be permitted); any

assembling, manufacturing, industrial, distilling, refining, smelting, agriculture or mining operation; a dry cleaning plant; a massage parlor (unless it is part of a “day spa” such as Burke Williams, or similar use); the sale, rental or display of “adult” or pornographic materials, including, without limitation, magazines, books, movies, videos, and photographs, unless the same are sold, rented or displayed as incidental to the general retail business of a national chain; a mortuary, funeral home or crematorium; any strip show or similar establishment; or a “head shop” or other business selling drug paraphernalia.

Supplemental Declaration of Easements, Covenants, Conditions and Restrictions for the PPLLC Lots of Paradise Plaza (Recorded in Document No. 4733652, as amended and assigned from time to time) (“Supplemental Declaration”)

No part of the Shopping Center may be used for any use which is a public or private nuisance; any use which produces noise or sound that is objectionable due to intermittence, high frequency, shrillness or loudness, any use which produces obnoxious odors; any use which produces noxious, toxic, caustic or corrosive fumes, fuel or gas; any use which produces dust, dirt or fly ash in excessive quantities; any use which produces fire, explosion, or other damaging or dangerous hazard (provided the seasonal sale of legally permitted fireworks shall be permitted); any assembling, manufacturing, industrial, distilling, refining, smelting, agriculture or mining operation; a dry cleaning plant; a massage parlor (unless it is part of a “day spa” such as Burke Williams, or similar use); the sale, rental or display of “adult” or pornographic materials, including, without limitation, magazines, books, movies, videos, and photographs, unless the same are sold, rented or displayed as incidental to the general retail business of a national chain; a mortuary, funeral home or crematorium; any strip show or similar establishment; or a business selling drug paraphernalia prohibited by state law.

Loud speakers or devices for the production or projection of sound or noise are not permitted.

No structure of a temporary character, trailer, camper, boat or similar equipment (unless used in connection with construction which has been approved by the Declarant) shall be permitted to remain upon the [Shopping Center] or any part thereof without the prior written approval of the Declarant.

No television, radio or other electronic antennae or device of any type shall be erected, constructed, placed or permitted to remain on any [portion of the Shopping Center] unless they are in furtherance of public utility operations and until the same shall have been approved in writing by the Declarant.

Octapharma

No part of the Shopping Center may be used for an use which is:

- 1) A public or private nuisance;
- 2) Any use which produces noise or sound that is objectionable due to intermittency, high frequency, shrillness, or loudness;
- 3) Any use which produces obnoxious odors;
- 4) Any use which produces noxious, toxic, caustic or corrosive fumes, fuel or gas;
- 5) Any use which produces dust or fly ash in excessive quantities;
- 6) Any use which produces fire, explosion, or other damaging or dangerous hazard (provided the seasonal sale of legally permitted fireworks shall be permitted);
- 7) Any assembling, manufacturing, industrial, distilling, refining, smelting, agricultural or mining operation;
- 8) A dry cleaning plant;
- 9) A massage parlor (unless it is a part of a “day spa” such as Burke Williams, or similar use, or an otherwise licensed use);
- 10) The sale, rental or display of “adult” or pornographic materials, including, without limitation, magazines, books, movies, videos, and photographs, unless the same are sold, rented or displayed as incidental to the general retail business of a national chain;
- 11) A mortuary, funeral home, or crematorium;
- 12) Any strip show or similar establishment;
- 13) A business selling drug paraphernalia prohibited by state law;
- 14) Any loud speakers or devices for the production or projection of sound or noise;

- 15) A structure of a temporary character, trailer, camper, boat or similar equipment (unless used in connection with construction which has been approved by Declarant); and
- 16) A televisions, radio or other electronic antennae or device of any type shall not be erected, constructed, placed or permitted to remain on the Shopping Center unless they are in furtherance of public utility operations and until the same shall have been approved in writing by the Declarant.

EXHIBIT D**Memorandum of Seller's Post Closing Rights**

-----Reserved for Recording Data-----

This instrument was prepared by
and after recording return to:

Paradise Retail I, LLC
c/o CIRE Equity
530 B Street, Suite 2050
San Diego, CA 92101
Attention: Alexis Volen

MEMORANDUM OF SELLER'S POST CLOSING RIGHTS

THIS MEMORANDUM OF SELLER'S POST CLOSING RIGHTS ("**Agreement**") is made as of _____, 20__, by and between PARADISE RETAIL I, LLC, a California limited liability company, or its assignee ("**Seller**"), and HOUSING AUTHORITY OF THE CITY OF RENO, a municipal corporation under Chapter 315 of the Nevada Revised Statutes ("**Purchaser**").

RECITALS:

A. By that certain Purchase and Sale Agreement dated as of [_____, ____] (the "**Purchase Agreement**"), by and between Seller and Purchaser, Seller agreed to sell to Purchaser and Purchaser agreed to purchase from Seller all of Seller's right, title and interest in and to that certain property legally described on Exhibit A attached hereto and made a part hereof, together with the existing building and any additional improvements, alterations or additions thereon and all easements and appurtenances belonging or in anyway appertaining thereto (collectively, the "**Property**").

B. As a material inducement for Seller to enter into the Purchase Agreement, pursuant to Section 20 of the Purchase Agreement, Purchaser has agreed to grant to Seller, and Seller has agreed to accept from Purchaser, (i) a purchase option with respect to the Property upon and subject to the terms and conditions set forth in Section 20 of the Purchase Agreement, and (ii) a right of first refusal with respect to the Property, upon and subject to all the terms and conditions set forth in Section 21 of the Purchase Agreement.

C. Pursuant to Section 4 of the Purchase Agreement, Purchase has agreed to comply with the Superior Documents.

D. Concurrently herewith, Seller is conveying all of Seller's right, title and interest in and to the Property to Purchaser by Deed.

E. This document reflects the agreements of Seller and Purchaser with respect to the items set forth above.

F. Unless otherwise provided herein, all capitalized words and terms used in this Agreement shall have the same meanings ascribed to such words and terms as in the Purchase Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser hereby agree as follows:

1. The Recitals set forth above are incorporated herein by reference and made a part hereof as if fully set forth herein.

2. Pursuant to Section 4 of the Purchase Agreement, Purchaser has agreed to comply with the Superior Documents.

3. Pursuant to Section 4 and Section 20 of the Purchase Agreement, if Purchaser fails to commence redevelopment of the Property within twelve (12) months following the date hereof and open for business within twenty-four (24) months following the date hereof for the purpose of operating The Housing Authority of the City of Reno's community-oriented service space possibly including, but not limited to, a daycare facility, classroom space, office/administration space, and/or a performing arts theater, all in compliance with applicable laws, ordinances and regulations and in such a manner so as not to violate any agreement affecting the Property, Seller or the Shopping Center, and for no other use or purpose whatsoever as required by the Purchase Agreement, then Seller shall have the option to purchase the Project subject to the terms and conditions therein contained. Seller shall have the option to purchase the Project for the price established in Section 20 of the Purchase Agreement and otherwise in accordance with the terms, covenants and conditions set forth therein, which terms, covenants and conditions are incorporated herein by reference as if fully set forth in the Purchase Agreement.

4. Pursuant to Section 21 of the Purchase Agreement, if Purchaser desires to resell the Property or any portion thereof, Purchaser shall notify Seller prior to listing the Property for sale, and Seller shall have the first right of offer, all as further set forth in the Purchase Agreement.

5. Any notice or other communication in connection with this Agreement shall be in writing and shall be sent by United States certified mail, return receipt requested, postage prepaid, by nationally recognized overnight courier guaranteeing next day delivery, by telecopy, or by personal delivery, properly addressed as follows:

If to Seller: Paradise Retail I, LLC
c/o CIRE Equity
530 B Street, Suite 2050
San Diego, CA 92101
Attention: Alexis Volen
Email: notices@cireequity.com

And a copy to: Daspin & Aument
300 S. Wacker Drive, Suite 2200
Chicago, Illinois 60606
Attn: Nicole R. Brown
Email: nbrown@daspinaument.com

If to Purchaser: Housing Authority of the City of Reno
Attn: Hilary Lopez
1525 East 9th Street
Reno, Nevada 89512
Email: HLopez@renoha.org

Phone: 775-329-3630

With a copy to: Ryan Russell, Esq.
Allison MacKenzie, Ltd.
402 N. Division Street
Carson City, Nevada 89703
Email: rrussell@allisonmackenzie.com
Phone: 775-687-0202

All notices shall be deemed given three (3) business days following deposit in the United States mail with respect to certified or registered letters, one (1) business day following deposit if delivered to an overnight courier guaranteeing next day delivery, and on the same day if sent by personal delivery or telecopy (with proof of transmission). Attorneys for each party shall be authorized to give notices for each such party. Any party may change its address for the service of notice by giving written notice of such change to the other party, in any manner above specified.

6. This Agreement and the Purchase Agreement represent the entire agreement between the parties with respect to the subject matter herein contained and all prior documents and negotiations between the parties with respect thereto are hereby superseded and of no further force or effect.

7. This Agreement shall constitute a covenant running with the land and shall be binding upon Purchaser and its successors and assigns and shall inure to the benefit of Seller and to any purchaser thereof to whom Seller specifically assigns the rights granted to Seller hereunder by recorded instrument, but in no event shall the mere transfer of title by Seller to any purchaser, absent said assignment, be deemed to assign Seller's rights herein.

8. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

9. This Agreement shall be governed by and construed in accordance with the laws of the State of Nevada.

10. This Agreement is executed solely for the purpose of providing notice of the existence of certain provisions contained in the Purchase Agreement and Seller's rights thereunder, as further described in the Purchase Agreement. In the event of any inconsistency between the provisions hereof and the provisions of the Purchase Agreement, the provisions of the Purchase Agreement shall govern and control.

[Signature pages follow.]

IN WITNESS WHEREOF, Seller and Purchaser have executed this Agreement as of the day and year first above written.

PARADISE RETAIL I, LLC,
a California limited liability company

By: CIRE Management, LLC,
a California limited liability company,
as Manager

By: _____

Its: _____

STATE OF _____)
)
COUNTY OF _____) SS.

I, _____, a Notary Public in and for said County, in the State
aforesaid, DO HEREBY CERTIFY that _____, personally known to me to be the
_____ of _____, _____, and personally known to me
to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person
and acknowledged that he/she signed and delivered said instrument as _____ of said limited
liability company, as his/her free and voluntary act, and as the free and voluntary act and deed of said
_____, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of _____, ____.

Notary Public

My Commission Expires: _____

HOUSING AUTHORITY OF THE CITY OF
RENO, a municipal corporation under Chapter 315 of
the Nevada Revised Statutes

By: _____
HILARY LOPEZ, Its: Executive Director

Date: _____

STATE OF _____)
COUNTY OF _____) SS.

I, _____, a Notary Public in and for said County, in the State
aforesaid, DO HEREBY CERTIFY that _____, personally known to me to be the
_____ of _____, a _____, and personally known to
me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in
person and acknowledged that he/she signed and delivered said instrument as _____ of said
corporation, as his/her free and voluntary act, and as the free and voluntary act and deed of said _____,
for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of _____, ____.

Notary Public

My Commission Expires: _____

Exhibit A

LEGAL DESCRIPTION

[Insert Legal Description for Property only, NOT entire Center]

EXHIBIT E**FORM OF DECLARATION OF PERMITTED USE RESTRICTIVE COVENANTS**

-----Reserved for Recording

Data-----

**This instrument was prepared by
and after recording return to:**

Paradise Retail I, LLC
c/o CIRE Equity
530 B Street, Suite 2050
San Diego, CA 92101
Attention: Alexis Volen

THIS DECLARATION OF PERMITTED USE RESTRICTIVE COVENANTS ("Declaration"), made and entered into this _____ day of _____, 20____, by and between PARADISE RETAIL I, LLC, a California limited liability company, its successors and/or assigns ("**Seller**") and HOUSING AUTHORITY OF THE CITY OF RENO, a municipal corporation under Chapter 315 of the Nevada Revised Statutes, its successors and/or assigns ("**Purchaser**").

WITNESSETH:

WHEREAS, under that certain Purchase and Sale Agreement dated as of [_____, ____] (the "**Purchase Agreement**"), by and between Seller and Purchaser, Seller agreed to sell to Purchaser and Purchaser agreed to purchase from Seller all of Seller's right, title and interest in and to that certain property legally described on Exhibit A attached hereto and made a part hereof, and all easements and appurtenances belonging or in anyway appertaining thereto (collectively, the "**Property**") which Property is located at Paradise Plaza in Sparks, Washoe County, Nevada (the "**Shopping Center**") as depicted on the site plan attached hereto as Exhibit A (the "**Site Plan**");

WHEREAS, the Purchase Agreement provides that the use of the Property shall be restricted to certain specific uses; and

WHEREAS, concurrently herewith, Seller and Purchaser have executed and recorded that certain Memorandum of Seller's Post Closing Rights with respect to the Property (the "**Memorandum of Seller's Post Closing Rights**").

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser covenant and agree as follows:

1. Purchaser agrees that Purchaser shall operate the Property for the purpose of operating The Housing Authority of the City of Reno's community-oriented service space including, but not limited to, a daycare facility, classroom space, office/administration space, and/or a performing arts theater, all in compliance with

applicable laws, ordinances and regulations and in such a manner so as not to violate any agreement affecting the Property, Seller or the Shopping Center, and for no other use or purpose whatsoever as required by the Purchase Agreement (the "**Permitted Use**"). It is understood and agreed between the parties hereto that the Property shall be used and occupied only for the Permitted Use and for no other purpose or purposes without the prior written consent of Seller.

2. It is understood and agreed between the parties hereto that the Property shall be used and occupied only for the Permitted Use and for no other purpose or purposes or trade names without the prior written consent of Seller. In addition to Purchaser's agreement to operate only for the Permitted Use hereinabove provided, Purchaser expressly covenants and agrees that it shall not operate or permit any operation in the Property so as to violate or permit the violation of any of the exclusives and/or use restrictions which have been negotiated to date, which are set forth in Exhibit C attached hereto and incorporated herein by reference (collectively, the "**Exclusives**"). In the event that Purchaser's use conflicts with its Permitted Use or any use protected by the Exclusives without the Seller's prior written consent, Seller shall give Purchaser written notice of same and Purchaser shall immediately cease the use of the Property for such prohibited use within five (5) days thereafter. In the event Purchaser fails to cease such prohibited use, then Purchaser agrees to indemnify, defend, and hold harmless Seller from and against any and all claims, demands, actions, causes of action, losses (including, but not limited to, loss of rents resulting from the termination by a tenant of its lease), damages, costs, and expenses, including court costs and attorneys' fees, including any cost or legal expenses of Seller in enforcing the restriction as and against Purchaser, and including any cost or legal expenses of Seller arising from or related to wholly or in part, the use of the Property for any purpose prohibited or listed in Exhibit C hereto. In the event Purchaser violates any of the provisions of this Agreement, Seller shall have all rights and remedies provided herein, in the Agreement and in the Memorandum of Seller's Post Closing Rights, in addition to all rights and remedies available to Seller at law or in equity, including, but not limited to, injunctive relief and specific performance.

3. Purchaser acknowledges that any such exclusive restriction or use prohibition has been granted and imposed for the benefit of a Benefitted Party. As used herein, the term "Benefitted Party" shall mean the owner and/or lessee directly benefitted or burdened by a particular exclusive use and/or restriction, or a party contractually granted a right by Seller (or its predecessors and/or affiliates), as of the effective date herein, to pursue a violation of the Exclusives. In addition, it is acknowledged that, pursuant to the underlying leases or agreements by which some of the exclusives and/or use restrictions originated, some of the exclusives and/or use restrictions will terminate at a future time based on the terms of the underlying lease or other agreement. Each Benefitted Party is declared a third-party beneficiary of its exclusive and/or use restriction. In the event of the violation of an exclusive and/or use restriction by Purchaser, the Benefitted Party will be entitled to exercise all rights and remedies available to it at law or in equity against Purchaser. Notwithstanding anything to the contrary contained in this paragraph, as between a lessee under a lease in which an exclusive and/or use restriction originated, and the lessor under such lease, nothing in this paragraph is intended to modify the terms of such lease or to give the Benefitted Party any additional remedies under its lease with respect to a violation of its exclusive and/or use restriction.

4. This Declaration and the restrictions contained herein constitute covenants running with the land which shall bind subsequent owners and users of the Property.

IN WITNESS WHEREOF, Purchaser and Seller have caused this Declaration to be executed effective as of the latest date executed, as shown below.

"PURCHASER"

HOUSING AUTHORITY OF THE CITY OF RENO, a
municipal corporation under Chapter 315 of the Nevada
Revised Statutes

By: _____
HILARY LOPEZ
Its: Executive Director
Date of Execution: _____

STATE OF _____)
) ss.
COUNTY OF _____)

Now on this _____ day of _____, 20_, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, came _____, who is personally known to me to be the same person who executed the within instrument and who duly acknowledged the execution of the same to be his free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

Notary Public

My Commission Expires: _____

"SELLER"

PARADISE RETAIL I, LLC,
a California limited liability company

By: CIRE Management, LLC,
a California limited liability company,
as Manager

By: _____

Its: _____

Date executed: _____

STATE OF _____)
) ss.
COUNTY OF _____)

Now on this _____ day of _____, 20____, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, came _____, _____ of _____, a _____, personally known to me to be the same person who executed the within instrument on behalf of _____ and who duly acknowledged the execution of the same to be the act and deed of _____ duly authorized by its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

Notary Public

My Commission Expires: _____

EXHIBIT A
to Declaration of Permitted Use Restrictive Covenant

THE PROPERTY

[Note: This is to be recorded against the pad only.]

EXHIBIT B
to Declaration of Permitted Use Restrictive Covenant

SITE PLAN

EXHIBIT C
to Declaration of Permitted Use Restrictive Covenant

EXCLUSIVES & USE RESTRICTIONS AT CENTER
[to be updated as of Closing]

EXHIBIT F
FORM OF LICENSE AGREEMENT FOR OUTDOOR PLAY AREA

EXHIBIT G
EXPANSION LOBBY AREA



4891-1684-4908, v. 1

Document comparison by Workshare Compare on Thursday, August 3, 2023
2:03:09 PM

Input:	
Document 1 ID	iManage://daspinaument-mobility.imatech.work/Active/30055954/8
Description	#30055954v8<daspinaument-mobility.imatech.work> - Sale Agreement - Donation Parcel
Document 2 ID	iManage://daspinaument-mobility.imatech.work/Active/30055954/9
Description	#30055954v9<daspinaument-mobility.imatech.work> - Sale Agreement - Donation Parcel
Rendering set	Nicole

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	17
Deletions	16
Moved from	0
Moved to	0
Style changes	0
Format changes	0

Total changes	33
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RENO HOUSING AUTHORITY**AGENDA ITEM NUMBER: 10****August 22, 2023**

SUBJECT: Discussion and possible action to adopt policy changes to the operational procedures that govern changes to the organizational chart and the authorities of the Board of Commissioners and Executive Director. (For Possible Action)

FROM: Executive Director

RECOMMENDATION: For Possible Action

Background:

Roles and responsibilities were discussed by the Board of Commissioners during the November board retreat. It was discussed that the Executive Director responsibilities include the administration of RHA operations. However, RHA's Personnel Policy, as currently written, inhibits the Executive Director from acting nimbly and efficiently to address needed administrative changes.

Current RHA Personnel Policies require all personnel policy changes to be reviewed and approved by the Board of Commissioners, even if there is no or limited fiscal impact to the agency and/or would be administrative changes in the best interest of the Authority. Current policy states:

1. General Policy Statements

1.1. Purpose. The Personnel Policies of the Housing Authority of the City of Reno are adopted by its Commissioners for the purpose of establishing criteria to govern all employment relationships of all employees with the Authority and shall be automatically amended to conform to Federal and State guidelines to the extent such guidelines now or in the future exceed this policy.

1.2. Establishment and Administration of Policy. The responsibility and authority to establish a Personnel Policy is vested in the Board of Commissioners. The Executive Director shall have the responsibility of implementing the Personnel Policy adopted by the Board of Commissioners.

2. Revision of Personnel Policies and Procedures

2.1. The Personnel Policies and the Personnel Procedures are a codified system of administration of all personnel functions. They may be revised or amended from time to time upon the authorization and approval of the Board of Commissioners and the Executive Director.

2.2. Any official of the Authority may initiate the revision of any portion, section or paragraph of this document in whole or in part as required. If the proposed revision will affect personnel procedures, the approval of the Executive Director is required. The revision or amendment of personnel policies, however, will require action and approval by the Board of Commissioners.

To provide the Executive Director the authority to efficiently manage the operational and administration of the agency in a timely manner while ensuring the Board of

Commissioners continues to maintain oversight of agency fiscal operations, the following policy changes are recommended:

1. General Policy Statements

1.1 Purpose. The Human Resource Policies of the Reno Housing Authority are established to create a standardized system for personnel management and to ensure that personnel actions and decisions are in compliance with federal, state, and local laws and contemporary personnel management principles and practices.

This manual does not represent a contract or promise of specific treatment of current or former employees or job applicants. The Reno Housing Authority reserves the right to amend these policies and to grant exceptions or handle selected matters differently as warranted.

1.2 Authority And Revisions of Human Resource Policies and Procedures

1. **Board of Commissioners:** The Human Resource Policies of the Reno Housing Authority are authorized pursuant to the authority of the Board of Commissioners and are effective upon adoption. Amendments or exceptions to the human resource policies in the following areas may only be approved by the Board of Commissioners:
 - a) **All amendments to the compensation plan:** All across the board adjustments, approval of new classifications salary range, salary range assignments and realignments, salary structures including range minimums and maximums, and the merit step incentive plan.
 - b) **Compensation policy:** The Reno Housing Authority's overall compensation policies and apportionment of compensation into various components — base pay, standby and call-back pay, paid leave, and insurance benefits.
 - c) **Merit step incentive plan:** Overall design including step spacing and intervals.
 - d) **Paid leave accruals and eligibility:** Annual leave accruals, maximum accrual rules, sick leave accruals, observed and floating holidays, and any other paid leave programs.
 - e) **Insurance benefits:** Plans offered and plan design issues including coverage, eligibility, waiting/elimination periods, exclusions, carrier approval, and Reno Housing Authority premium contributions.
 - f) **Other benefits and components of compensation:** Retirement programs, vehicle allowance, mileage reimbursements, etc.
 - g) **Other employment relations policies:** Grievance procedures, discrimination and harassment policies, affirmative action and equal opportunity measures, layoffs, and leaves of absence.
2. **Executive Director Authority:** The RHA Executive Director is delegated authority from the Board of Commissioners to approve new policies, amendments, revisions, and exceptions in the following areas:

- a) **Recruitment and selection practices:** Recruitment policies, pre-employment requirements and appointment procedures, transfer, promotion, and demotion policies.
- b) **Job classification structures and policies:** Classification and reclassification policies and procedures, classification titles, position transfers, department assignments, temporary appointments and temporary salary increase for working-out-of classification, approval of new or revised classifications (not including salary range assignments).
- c) **Pay practices and salary administration:** Hiring rates and step placement of employees within range following promotion, transfer, reclassification, equity adjustment and the like, and bonuses; and related matters. Any individual pay change that would have a fiscal impact over \$25,000 must be approved by the Board. Once total cumulative fiscal impact reaches over \$100,000 for a given fiscal year, further changes must be approved by the Board.
- d) **Work hours, overtime and employee scheduling policies:** Overall rules and standards regarding employee scheduling variations, including alternative work and/or remote work policies and procedures, office closures, meal and break periods, and overtime pay.
- e) **Employment standards and rules of conduct:** Published rules and exceptions regarding employee conduct and performance including performance appraisal systems, disciplinary procedures, conduct standards, policies on employment of relatives, conflicts of interest, outside employment, etc. The Executive Director will provide the Board of Commissioners with a copy of any changes to published rules and exception stated above at its next regular meeting.

Staff recommendation: The Board of Commissioners replace the current RHA Personnel Policies Sections 1 and 2 indicated above with the new Human Resources Policies Sections 1 and 2 as stated herein and make the new Policies effective immediately.

RENO HOUSING AUTHORITY**AGENDA ITEM NUMBER: 11****August 22, 2023**

SUBJECT: Discussion and possible action to create a sole purpose limited liability company for the 419th 10th Street project and possible action regarding the naming of the property. (For Possible Action)

FROM: Executive Director

RECOMMENDATION: For Possible Action

Background:

The 419 10th Street project has continued to move forward quickly. Progress includes:

- HUD Authorized the Use of Grant Funds in the first half of August. This was the final approval needed for the Environmental review process.
- RHA issued a Notice of Suitability to the seller on August 11, 2023.
- Expecting to close on purchase of property by September. Land acquisition will be funded by the project's \$775,000 HMNI award.
- Bidder's Conference for the General Contractor IFB was held on August 17, 2023, and bids will be opened on September 5, 2023.

Staff believes it would be beneficial to create a sole purpose LLC to serve as the owner entity of the property. RHA would be the sole member of the LLC. This ownership structure limits the liability of the agency. It also allows for RHA to loan the HUD-held reserves and business activity funds that have been committed to the project as a seller's note(s). In turn, the seller's note(s) would be repaid from project cash flow over time. This allows for the funds RHA has invested into the project to be recouped and accounted for by the agency over time to reinvest in other affordable housing projects and services. Staff would like to establish the LLC under the name that is ultimately selected for the property.

The Executive Director reached out to Sparks City Councilwoman VanderWell and asked for suggested names for the development from her and her council colleagues. The below names were suggested. Executive staff and the Director of Development favor The Railyard Flats, Martini Flats, or Conductor Heights. These names reflect Sparks' history while also adding a modern take.

Suggested Names:

- New Wadsworth Estates
- Rail City Flats
- Harriman Residences
- Coupler Condos
- Roundhouse Residences
- Breslow Bungalows
- The Railyard
- Conductor Heights
- Last Chance Flats
- Martini Flats

- Martini Residence

Other suggestions are also welcome. Once the top two names are decided by the Board, the Director of Development will poll RHA staff to determine the final name for the new development.

Staff Recommendation:

Staff recommends that the Board of Commissioners identify their top two (2) potential names for the development, authorize staff to create a sole purpose LLC under the name ultimately selected by RHA staff, use the LLC to serve as the owner entity of 419 10th Street, and authorize the Executive Director to transfer the 419 10th Street property, once acquired, to the new owner entity once established.

RENO HOUSING AUTHORITY**AGENDA ITEM NUMBER: 12****August 22, 2023**

SUBJECT: Discussion on Gaston and Wilkerson management fee analysis.
(For discussion only)

FROM: Executive Director

RECOMMENDATION: Discussion

Background:

At the July Board of Commissioners meeting, an overview of the fees charged by Gaston and Wilkerson was requested. The Reno Housing Authority contracts with Gaston and Wilkerson to manage five RHA-owned properties: Ala Moana Apartments, Colonial Court, Idlewild Townhomes, Serrazin Arms, Prater Way Apartments. RHA holds a separate property management contract with Gaston and Wilkerson for each of these sites. The terms of these contracts are detailed in the table below. Gaston and Wilkerson have not requested a change to the business terms of any of these contracts since they were each executed.

The market rate for property management fees averages between 8-10% of gross receipts. The table below shows the projected property management fee for each of the Gaston and Wilkerson managed properties as well as the estimated fee if 10% of gross receipts were charged. Under RHA's current contracts, the agency is realizing annual savings of over \$165,000 each year by maintaining our contracts with Gaston and Wilkerson.

Gaston and Wilkerson Property Management Agreement Summary

	Property	Contract Effective Date	Term	Management Fee (These fees have not changed since the original contract effective date.)	Company Representative	Number of Units	Average Gross Receipts	Projected Annual Fee FY24	Fee per Unit per Year	Average Annual Fee at Market Fee of 10%
1	Ala Moana	7/1/2004	Renew Annually	Greater of \$2,000/Mo or 4% of total monthly gross receipts	Debbie Warner	156	\$1,600,029	\$64,001	\$410	\$160,003
2	Colonial Court	10/1/2010	Renew Annually	Flat Fee \$500/Mo	Brad Wilkerson	12	\$120,658	\$4,826	\$402	\$12,066
3	Idlewild Townhomes	1/1/2013	Renew Annually	Flat Fee \$1,500/Mo	Brad Wilkerson	34	\$408,985	\$16,359	\$481	\$40,899
4	Prater Way Apartments	1/1/2014	Renew Annually	Flat Fee \$1,000/Mo	Brad Wilkerson	16	\$174,413	\$6,977	\$436	\$17,441
5	Sarrazin Arms	7/30/2004	Renew Annually	Greater of \$1,223/Mo or 5% of total monthly gross receipts	Brad Wilkerson	58	\$508,537	\$20,341	\$351	\$50,854
								\$112,505		\$281,262

* An average market rate Property Management Fee is between 8-12% of gross receipts.

Difference: \$168,757 Annually

Staff Recommendation: This item is discussion only. No action is recommended.

RENO HOUSING AUTHORITY**AGENDA ITEM NUMBER: 13****August 22, 2023**

SUBJECT: Closed Session: Collective Bargaining Agreement (CBA). Discussion of the upcoming expiration of the current CBA expiring June 30, 2024, potential items for negotiation in a new CBA and associated fiscal impacts. The Board may give direction to staff in closed session regarding the position or positions to be taken or the strategy to be employed leading to the execution of a new CBA. There will be no approval of the collective bargaining agreement during the course of the closed session. (For discussion only)

FROM: Executive Director

RECOMMENDATION: Discussion

RENO HOUSING AUTHORITY**AGENDA ITEM NUMBER: 14****August 22, 2023**

SUBJECT: Additional items:

- i) General matters of concern to Board Members regarding matters not appearing on the agenda. (Discussion)
- ii) Reports on conferences and trainings. (Discussion)
- iii) Old and New Business. (Discussion)
- iv) Request for Future Agenda Topics
- v) Schedule of next meeting. The following dates have been scheduled in advance but are subject to change at any time: Tuesday, August 22, 2023; Tuesday, September 26, 2023; and Tuesday, October 24, 2023. (For Possible Action)

FROM: Executive Director

RECOMMENDATION: For Possible Action

The next Board meeting will be held Tuesday, September 26, 2023. Also need to identify date Board Retreat.

Staff is requesting a special meeting be held on Friday, September 8, 2023, at noon to discuss the master development agreements with Brinshore Development, LLC.