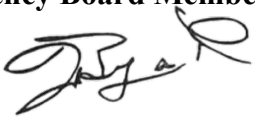




Memorandum

DATE: December 30, 2025

TO: Chair and Redevelopment Agency Board Members

THROUGH: Jackie Bryant, City Manager 

FROM: Bryan McArdle, Revitalization Manager, in coordination with City of Reno Housing and Neighborhood Development (HAND) Department

ENTITY: Redevelopment Agency

SUBJECT: Update on 315–335 Record Street Development Project – The Prospector Apartments

This memo provides an updated status report on the redevelopment of 315 and 335 Record Street into Prospector Apartments, a 136-unit affordable housing project. The City of Reno Housing & Neighborhood Development (HAND) Department and the Reno Redevelopment Agency (RDA) have partnered with Ulysses Development Group (UDG) on the redevelopment of this site which was the former location of the Community Assistance Center (CAC). In August 2024, Council selected UDG via a Request for Proposal (RFP) process and entered into an Exclusive Negotiation Agreement (September 25, 2024) and an Economic Development Agreement (January 22, 2025).

Property Sale and Closing Structure

The City of Reno and UDG completed the property transfer on December 23, 2025. The terms of the sale include:

- A \$600,000 closing payment to the City of Reno (less standard seller administrative and closing costs).
 - Because the City used Community Development Block Grant (CDBG) funds in the original development of the CAC, this closing payment is restricted to CDBG-

eligible uses and will be used to conduct ongoing CDBG monitoring and federal guideline compliance.

- A 15-year seller’s note for \$2,775,000 at 2% interest to be paid to the City of Reno.
 - These funds will be deposited to the General Fund.

On August 13, 2025 the City of Reno awarded UDG more than \$18M in volume cap, enabling them to secure full bonding capacity from the State for project financing.

On August 20, 2025, the Nevada Board of Finance approved the project’s full financing package, The final financing structure includes:

- \$25.3 million in Federal Low-Income Housing Tax Credits (LIHTC)
- \$2 million in Nevada State Tax Credits (STC)
- \$5 million in Growing Affordable Housing Program (GAHP) funds
- \$10.5 million in Private Activity Bonds

Demolition and RDA Reimbursement

Demolition of the former CAC buildings has been completed. Under the negotiated terms, the Redevelopment Agency was reimbursed \$670,000 by UDG upon close of the property.

Parking Agreement Conclusion with Tahoe Aleworx

While the property went underutilized awaiting the closing of sale with UDG, Tahoe Aleworx was given temporary access to the parking area for overflow parking. With the demolition complete and construction mobilization imminent, the temporary parking agreement with Tahoe Aleworx for use of the site’s parking lot will not be renewed. Tahoe Aleworx has been introduced to UDG to explore any future parking arrangements.

Construction of the Prospector Apartments

UDG plans to begin construction immediately following closing. The project, referred to as the Prospector Apartments, will deliver 136 affordable units, consistent with the outcome of the City’s request for proposal (RFP) process and aligned with Council’s priorities to expand housing opportunities downtown and within RDA Area 1. This includes a total of 11 units set aside at 30% of AMI, 107 at 60% AMI, and 18 units at 70% AMI.

The project’s anticipated timeline is as follows:

- Construction Commencement: January 2026
- Pouring of Building Foundations: March 2026
- Completion of Framing: October 2026
- Final Construction completion: October 2027
- Property opens for Leasing: October 2027

- Completion of Lease-up:

March 2028