

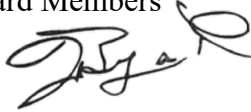


# Memorandum

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**DATE:** March 23, 2026

**TO:** Chair and Redevelopment Agency Board Members

**THROUGH:** Jackie Bryant, Executive Director 

**FROM:** Ashley D. Turney, Assistant City Manager

**ENTITY:** Reno Redevelopment Agency

**SUBJECT:** Redevelopment Agency FY 27 Budget

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This memo shall serve to provide clarification on the proposed FY27 budget, and re-order the ending fund balance (reserves), as requested by the Board at the March 4, 2026 Budget Workshop. Details on the proposed budget can be found online as part of the meeting materials at [www.Reno.Gov/Meetings](http://www.Reno.Gov/Meetings).

An item will return to the Board in April to discuss policy choices as it relates to the budget and financial implications of those choices.

The Redevelopment Agency (RDA) receives four (4) sources of revenue: tax increment (property tax), motor vehicle privilege tax, parking gallery revenue (RDA 1 only) and interest on reserves (fund balance). These funds have specific allowable uses per NRS 279.

## **Redevelopment Area 1**

***Fund Balance:* The projected beginning fund balance for FY27 is \$4,279,498.**

***Expected Revenues:*** The projected revenues for FY27 are \$5,253,000 from tax increment, \$900,000 from parking gallery, \$128,024 from motor vehicle privilege tax, and \$60,000 in interest on reserve balance. **Projected FY27 revenue for RDA 1 is \$6,341,024.**

***Obligations:*** The annual bond debt service for FY27 is \$2,880,130. Additionally, RDA 1 has a Washoe County School District set aside of 18% of tax increment revenue after debt service for

capital projects per NRS, totaling \$427,117. **Projected FY27 debt obligations total for RDA 1 is \$3,307,247.**

*Agency Overhead:* Expenses related to operating the Agency include salaries, benefits, risk insurance premiums, services and supplies, outside services (legal counsel, as well as other contracts), communications, travel, and indirect costs. **Projected FY27 agency overhead total for RDA 1 is \$824,176.90.**

*Recommended Programs:* Redevelopment Agency programs include the parking gallery, Tax Increment Financing (TIF) consultants, activation pilot funds, studies and analysis (strategic plan, parking 2.0, streetscape standards, etc.), retail attraction funds, blight mitigation programs (ReStore, ReSecure, Love Your Block, and Small Walls). **Projected FY27 program total for RDA 1 is \$2,087,500.**

*Remaining Revenue for FY27:* RDA 1 revenue, minus debt obligations, agency overhead, and programs without beginning fund balance. **Projected FY27 remaining revenues total for RDA 1 is \$122,101.**

*Total available funds after expenses:* RDA 1 revenue, minus debt obligations, agency overhead, and programs, plus beginning fund balance. **Projected FY27 available funds total for RDA 1 is \$4,401,598.10.**

*Redevelopment Agency Advisory Board (RAAB):* The RAAB met on March 2, 2026, and recommended the RDA approve the proposed budget and made the following recommendations on utilization of reserves and capital improvement projects (CIP):

- The RAAB recommended the RDA maintain 18 months of agency overhead in reserves to sustain future declines in property tax to afford time for recovery and completion of contracts and projects. **This totals to \$1,258,087.95.**
- The RAAB also recommended utilizing \$2,000,000 from the reserves (ending fund balance) and the remaining revenues from projected FY27 totals for CIP. **This totals to \$2,122,101.**
- **This would result in a new projected FY27 ending fund balance / FY28 beginning fund balance for RDA 1 of \$1,021,410.05 to be used for future projects.**

**The table below details numerically the above statements.**

Beginning Fund Balance	\$4,279,498	+
Projected FY27 Revenues	\$6,341,024	+
Debt Obligations FY27	\$3,307,247	-
Agency Overhead FY27	\$824,176.90	-
Program Expenses FY27	\$2,087,500	-
<b>Total Available Funds (before reserves or CIP)</b>	<b>\$4,401,598.10</b>	=

Remaining Revenue from FY27 Recommended to be Used for CIP funding	\$122,101	-
18 Months Agency Overhead	\$1,258,087.95	-
RAAB Recommended CIP Funding from Reserves (ending fund balance)	\$2,000,000	-
Total Remaining Projected Funds for Future Projects	\$1,021,409.15	=
<b>Category</b>	<b>Amount</b>	<b>Operation</b>

## Redevelopment Area 2

*Beginning Fund Balance:* **The projected beginning fund balance for FY27 is \$22,886,155.00.**

*Expected Revenues:* The projected revenues for FY27 are \$11,195,000 from tax increment and \$700,000 in interest on reserve balance. **Projected FY27 revenue for RDA 2 is \$11,895,000.**

*Obligations:* The annual bond debt service for FY27 is \$51,397. Additionally, RDA 2 currently pays the annual \$1,000,000 obligation for the baseball agreement through 2035. Beginning in 2036 through 2043, this will be paid by the RDA 1. **Projected FY27 debt obligations total for RDA 2 is \$1,051,397.**

*Agency Overhead:* Expenses related to operating the Agency include salaries, benefits, risk insurance premiums, services and supplies, outside services (legal counsel, as well as other contracts), communications, travel, and indirect costs. **Projected FY27 agency overhead total for RDA 2 is \$1,971,574.10.**

*Recommended Programs:* Redevelopment Agency programs include site predevelopment activities (surveys, title search, environmental), TIF consultants, activation pilot funds, studies and analysis (strategic plan, parking 2.0, streetscape standards, RDA 2 extension analysis), blight mitigation programs (ReStore, ReSecure, code compliance support, Love Your Block, and Small Walls). **Projected FY27 program total for RDA 2 is \$2,345,461.00.**

*Remaining Revenue for FY27:* RDA 2 revenue, minus debt obligations, agency overhead, and programs without beginning fund balance. **Projected FY27 remaining revenues total for RDA 2 is \$6,526,568.**

*Total Available funds after expenses:* RDA 2 revenue, minus debt obligations, agency overhead, and programs, plus beginning fund balance. **Projected FY27 available funds total for RDA 2 is \$29,412,722.90.**

*Redevelopment Agency Advisory Board (RAAB):* The RAAB met on March 2, 2026, and recommended the RDA approve the proposed budget and made the following recommendations on utilization of reserves and CIP:

- The RAAB recommended the RDA maintain 18 months of agency overhead in reserves to sustain future declines in property tax to afford time for recovery and completion of contracts and projects. **This totals to \$2,935,538.55.**

- The RAAB also recommended utilizing \$4,000,000 from the reserves (ending fund balance) and the remaining revenues from projected FY27 totals for CIP. **This totals to \$10,526,568.**
- The RAAB also recommended setting aside approximately six months of tax increment to pay for future TIF reimbursement obligations. **This totals \$5,500,000.**
- **This would result in a new projected FY27 ending fund balance / FY28 beginning fund balance of \$10,450,616.35 to be used for future projects.**

**The table below details numerically the above statements.**

Beginning Fund Balance	\$22,886,155	+
Expected Revenues	\$11,895,000	+
Debt Obligations	\$1,051,397	-
Agency Overhead	\$1,971,574.10	-
Program Expenses	\$2,345,461.00	-
<b>Total Available Funds (before reserves or CIP)</b>	<b>\$29,412,722.90</b>	=
Remaining Revenue from FY27 Recommended to be Used for CIP Funding	\$6,526,568	-
18 Months Agency Overhead	\$2,935,538.55	-
RAAB Recommended CIP Funding from Reserves (ending fund balance)	\$4,000,000	-
RAAB Recommended Set-Aside for Future TIF Obligations	\$5,500,000	-
<b>Total Remaining Projected Funds for Future Projects</b>	<b>\$10,450,616.35</b>	=
<b>Category</b>	<b>Amount</b>	<b>Operation</b>