

## STAFF REPORT

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**Date:** November 15, 2017

**To:** Mayor and City Council

**Thru:** Sabra Newby, City Manager

**Subject:** **J.9. Staff Report (For Possible Action): Presentation, discussion and direction to staff regarding the disposition of three parcels of land located south of the ReTRAC train trench from the eastern terminus of Commercial Row under the Wells Avenue Overpass to the Rusty Spike Substation (APN 008-370-33, 011-470-24 and 011-470-25), Reno, Washoe County, Nevada, to the Generator Inc., a Nevada nonprofit for the development of a Community Arts Center and Community Performance Center.**

**From:** **Bill Dunne, Revitalization Manager**

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**Summary:** Pursuant to the City's property disposition/leasing policy, staff seeks direction from Council regarding the potential disposition of three parcels of land located south of the ReTRAC train trench from the eastern terminus of Commercial Row under the Wells Avenue Overpass to the Rusty Spike Substation (APN 008-370-33, 011-470-24 and 011-470-25), Reno, Washoe County, Nevada, to the Generator Inc., a Nevada nonprofit arts organization.

**Previous Council Action:**

July 26, 2017 – Council approved/authorized City Manager to expend funds to undertake a commercial real estate appraisal for APN 011-450-24.

January 28, 2015 – Staff brought a lease agreement and an option to purchase to Council for approval on four vacant parcels known as APN 010-031-08, 010-610-01, 02, and 05 to arts entity The Generator, Inc. for the purposes of redevelopment and economic development. Council directed staff to find another location to lease to The Generator group, sell parcels 010-031-08, 09 and 10 to the purchasers of the Chism property, and go out to Public Auction with an RFP for development for parcels 010-610-01, 010-610-02, 010-610-05 and 010-610-06.

July 2, 2014 - Council authorized the use of more than two hours of staff time to examine leasing and or selling excess Reno Transportation Rail Access Corridor (ReTRAC) parcels to The Generator, Inc.

**Background:** The City and the Agency jointly acquired the subject property from Union Pacific Railroad as part of the ReTRAC project. The property is blighted and not suited for conventional

development due to its narrow shape, and the fact that it is burdened with access and utility easements. The property is currently being used to access the NV Energy's Rusty Spike Substation behind Greater Nevada Field.

**Discussion:** The Generator is a nonprofit, self-organized community of artists. The Generator proposes to construct a Community Arts Center and Community Performance Center on the property. Sculptures and artwork will be manufactured, assembled, stored and displayed for the public to view. The project will promote arts and culture, serving Reno residents and tourists alike. The project supports several of the City of Reno Master Plan guiding principles including GP-7, Quality places and outdoor recreation opportunities.

The project will consist of 10,000 square feet of dedicated shop space; 20,000 square feet of shared workspace for small and large scale projects; and, 75 resident artist spaces, with six designated for two-year, live-in artist residences. The project also includes two cornerstone art projects to be incorporated into a surrounding sculpture park and community gardens with native vegetation and create an outdoor community space.

The Generator anticipates receiving 7,500 visitors annually.

Staff seeks policy direction on key deal terms; specifically:

- City v. Redevelopment Agency;
- Property disposition, i.e., sale v. lease,
- Development plan, phasing and performance deadlines;
- Redevelopment requirements/standards, e.g., prevailing wage, local hiring, etc.;
- Operational standards, e.g., permitted uses, maintenance, change in ownership/management, etc.

**Financial Implications:** None at this time.

**Legal Implications:** None at this time.

**Recommendation:** Staff recommends Council provide direction as to the terms and conditions on the leasing of the properties to the Generator, Inc., a Nevada nonprofit organization and direct staff to return to Council with the appropriate documents.

**Proposed Motion:** I move to approve staff recommendation.

**Attachments:**

- Map of Parcels (PDF)
- Generator Capital Campaign and Building Ownership (PDF)

- [Proposed Site Plan \(PDF\)](#)