

Sole source Narrative: The Affordable Housing Trust Fund (AHTF) was created to increase and improve the supply of permanent supportive housing (PSH) projects affordable to households of extremely low income in Washoe County. ARPA funds were used to establish the AHTF and must be distributed by 12/31/2026. An RFP was released in January 2024, and two projects were awarded grant funds in May 2024. Negotiations ensued and agreements were signed in November and December 2024. One project declined the grant in August 2025 citing that the affordability and income criteria along with unsuccessful capital stack attempts, made a stand-alone proposal impossible to pursue especially in the present economic environment. The second project, although successful, reported great difficulty in gathering all the financial support needed to make it viable and saw its construction start date delayed while struggling to satisfy the different funding entity's regulations and requirements. Due to the project that declined a grant in 2025, AHTF currently has approximately \$1.4 million which must be distributed by 12/31/2026.

Affordable housing proposals must include many funding mechanisms and sources, including subsidies and credits, to produce a viable project. The project that continued and is close to completion, compiled funding or credits from the following sources (not all inclusive): Nevada Housing Division (NHD) Home Means Nevada Initiative, Washoe County HOME-ARP, NHD HOME-ARP, Loans, HUD VASH vouchers, a low-cost lease from Washoe County. This demonstrates the funding challenge and the need to bundle resources from various government and private entities.

Sole Source Purchase Request

Description of request:

The current proposal is to grant \$1.4 million to the Reno Housing Authority's (RHA) Hope Landing PSH project as gap funding to assist with the project's capital stack, to leverage to obtain other funding or credits and to assist with the affordability requirements.

Unique qualifications: RHA is the Public Jurisdiction responsible for the management and distribution of Project Based Vouchers (PBV). PBVs are rental subsidies attached to specific units or properties and cannot be taken to another location if the resident moves. RHA has committed substantial PBVs to this project thereby securing a stable source of rental income and increasing the property's net operating income. The ability to guarantee PBVs to support the project is a crucial distinction from any other potential proposals.

RHA has funding secured from the State Supportive Housing Development Funds and other sources. Additionally, RHA has the required extensive experience in housing development necessary to ensure success. RHA is peculiarly qualified to complete and operate an affordable permanent housing development project in the current market and economic environment.

RHA has extensive experience in the administration and development of affordable housing. RHA owns and manages more than 750 units of public housing. The organization also owns more than 165 rental properties specifically targeted at low-income households. Additionally, RHA's subsidiary Washoe Affordable Housing Corporation owns, manages or contracts more than 1,400 below market rate rental properties in Washoe County.

RHA with land and funds secured, the ability to guarantee PBVs, and the required expertise and experience with affordable housing makes it uniquely qualified to utilize the grant with the intended purpose.

Were other options sought?

All other options were sought through a series of meetings with interested public and private entities were conducted in the last few months of 2025 to determine the mix and combination of resources to produce a viable offering for use of the AHTF. The meetings were attended by the Community Foundation of Northern Nevada, the State Housing Division, RHA, and the Corporation for Supportive Housing. Private housing developers provided input outside of the meetings. It was determined that the viable option would require the use of subsidies to assist the target population with rental responsibilities and to secure stable rental income. RHA is the designated agency with the oversight and management responsibility of PBVs and is the only entity that can commit to utilizing PBVs in their project.

Federal Procurement

Purchase Description:

The current proposal is to grant \$1.4 million to the Reno Housing Authority’s (RHA) Hope Landing PSH project as gap funding to assist with the project’s capital stack, to leverage to obtain other funding or credits and to assist with the affordability requirements.

Include a short description of how this purchase benefits the funded project or is within your approved budget categories.

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