WASHOE COUNTY

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STAFF REPORT
BOARD MEETING DATE: March 11, 2025

DATE: February 25, 2025

TO: Board of County Commissioners

FROM: Dave Solaro, Assistant County Manager

THROUGH: Eric P. Brown, County Manager

SUBJECT: Public Hearing to: Consider objections to the resolution of Intent to Sell (R25-25) real property located at 10 Kirman Avenue, Reno, Nevada, Assessor's Parcel Number 012-150-12 as surplus to the needs of Washoe County for economic development purposes at a price of [$750,000.00] less than appraised value of [$2,600,000.00] to Renown Health, who plans to use the property to expand its healthcare services which will create highly skilled jobs and enhance the quality of healthcare available to the community. Manager. (Commission District 3.) FOR POSSIBLE ACTION

SUMMARY

This item requests that the Board of County Commissioners consider objections to a resolution of intent of the Washoe County Board of County Commissioners to sell (R25-25) real property located at 10 Kirman Avenue, Reno, Nevada, Assessor's Parcel Number 012-150-12 as surplus to the needs of Washoe County for economic development purposes at a price less than appraised value to Renown Health.

The public hearing is a necessary step to comply with Nevada Revised Statutes (NRS) Chapter 244, which governs the disposal of public property. The proposed sale aligns with the strategic objective of promoting economic development within the county.

Washoe County Strategic Objective supported by this item: Economic Impacts: Support a thriving community.

PREVIOUS ACTION

On February 25, 2025 -the most recent Board of County Commissioner action related to the potential disposition of 10 Kirman Avenue (Assessor's Parcel Number 012-150-012) occurred on February 25, 2025. During this meeting, the Board approved a resolution of intent to sell 10 Kirman to Renown Health at less than fair market value and set a public hearing for March 11, 2025.

On May 28, 2024 -the Board of County Commissioner action related to the potential disposition of 10 Kirman Avenue (Assessor's Parcel Number 012-150-012) occurred and

during this meeting, the Board discussed and provided direction to staff regarding the sale of the property. Commissioner Garcia moved to direct staff to negotiate a price with Renown Health, and Commissioner Andriola seconded the motion. Vice Chair Herman suggested obtaining a new appraisal on the property, and Chair Hill assured that the County would do so as part of the process. The motion carried on a 5-0 vote, directing staff to proceed with negotiations.

On August 22, 2023, the Board of County Commissioners identified the property at 10 Kirman Avenue as surplus to Washoe County needs. During this meeting, Assistant County Manager (ACM) David Solaro presented an overview of the Washoe County property program, which included a list of properties considered surplus. The Board discussed the potential sale of the property and the possibility of using the proceeds to fund other county needs. Commissioner Clark suggested that the property be appraised and sold, with part of the profits used to pay for the West Hills property. The Board directed staff to explore options for the disposition of the property.

BACKGROUND

Historical Summary

The Washoe County Board of County Commissioners has identified the property located at 10 Kirman Avenue, Reno, Nevada, Assessor's Parcel Number 012-150-12, as surplus to the needs of the county. The property, which consists of an approximately 14,118 square foot office building on 0.556 acres of land, was built in 1959 and is currently in poor condition, rendering it unusable for providing medical services. Historically, the property has been utilized by Northern Nevada Public Health for their Tuberculosis (TB) Clinic. However, plans are in place to move the clinic to a new facility at the Washoe Behavioral Health (formerly West Hills) site by early 2026.

The intent to sell the property to Renown Health for economic development purposes at a price less than the appraised value is driven by several factors. Renown Health has agreed to a purchase price of the property for $750,000, which reflects the value of the land less the estimated cost to demolish the existing building. The sale is seen as beneficial for the community as it supports Renown Health's expansion plans, which are expected to create jobs and enhance healthcare services in the area. By authorizing the resolution the Board of County Commissioners set the date of March 11, 2025 for public discussion regarding the intent to sell the property directly to Renown Health, without offering it to the public being in the best interest of the County.

Legal and Regulatory References

The sale of the property is governed by Nevada Revised Statutes (NRS) Chapter 244, which outlines the parameters for the control, management, and disposal of county property. Specifically, NRS 244.2815 allows a board of county commissioners to sell, lease, or otherwise dispose of real property for the purposes of redevelopment or economic development without first offering the real property to the public and for less than fair market value, provided certain conditions are met. These conditions include obtaining an appraisal of the property not more than six months before the sale and

adopting a resolution finding that it is in the best interest of the public to sell the property directly to a buyer without offering it to the public.

The Board has determined that the proposed use of the property by the buyer is for economic development, which includes the establishment of new commercial enterprises or facilities, the support, retention, or expansion of existing commercial enterprises or facilities, and the creation and retention of employment opportunities for the residents of the county.

FISCAL IMPACT

The sale of property allows for an opportunity to direct one-time funds to various needs of the County. These proceeds are not a sustainable funding source, and staff received direction from the Board at the regular meeting of February 25, 2025, to direct funding to assist in the completion of the Washoe Behavioral Health Center (formerly West Hills).

Proceeds from the sale will be accounted for in accordance with financial regulations and County policy. At Board direction when the sale is complete the funds will be placed in the Capital Improvement Fund (402), in the West Hills Rehabilitation project.

RECOMMENDATION

It is recommended the Board of County Commissioners consider objections to the resolution of Intent to Sell (R25-25) real property located at 10 Kirman Avenue, Reno, Nevada, Assessor’s Parcel Number 012-150-12 as surplus to the needs of Washoe County for economic development purposes at a price less than appraised value [$750,000.00] to Renown Health, who plans to use the property to expand its healthcare services which will create highly skilled jobs and enhance the quality of healthcare available to the community.

POSSIBLE MOTION

Should the Board agree with the staff's recommendation, a possible motion would be "Move to consider objections to the resolution of Intent to Sell (R25-25) real property located at 10 Kirman Avenue, Reno, Nevada, Assessor’s Parcel Number 012-150-12 as surplus to the needs of Washoe County for economic development purposes at a price less than appraised value [$750,000.00] to Renown Health, who plans to use the property to expand its healthcare services which will create highly skilled jobs and enhance the quality of healthcare available to the community. And provide suitable direction to staff based on the public hearing"