



## STAFF REPORT

**Report To:** Board of Supervisors                      **Meeting Date:** November 18, 2021

**Staff Contact:** Darren Schulz, Public Works Director

**Agenda Title:** For Possible Action: Discussion and possible action regarding authorization for Carson City staff to perform due diligence for the conveyance, without consideration, of approximately 2.91 acres of undeveloped land at the western end of Assessor's Parcel Number ("APN") 010-037-04 ("Property"), more commonly known as 3410 Butti Way, which is owned by Carson City, to Oikos Development Corporation ("Oikos"), a nonprofit organization, under NRS 244.287 for the development of an affordable housing project. (Dan Stucky, DStucky@carson.org and Robert Nellis, RNellis@carson.org).

**Staff Summary:** On January 17, 2019, the Board of Supervisors ("Board") directed staff to initiate due diligence on conveying a portion of APN 010-037-04 to a qualified developer for development of affordable/workforce housing. The Board subsequently selected PalaSeek LLP's proposed affordable housing project for the negotiation of a Development Agreement. Since that time, Oikos and Sierra Flats Senior LP ("Sierra Flats") have joined PalaSeek LLP's development team, and that team has secured a significant amount of affordable housing tax credits and drafted a Development Agreement for an affordable housing project on the Property. If the Board approves the Development Agreement, Carson City would convey the Property to Oikos without consideration. Based on the present circumstances, staff recommends utilizing NRS 244.287 to formalize the conveyance of the Property, and to schedule the conveyance of the Property so that it coincides with second reading of the Development Agreement.

**Agenda Action:** Formal Action / Motion                      **Time Requested:** 15 minutes

---

### **Proposed Motion**

I move to authorize staff to perform the due diligence required to transfer the Property under NRS 244.287.

### **Board's Strategic Goal**

Economic Development

### **Previous Action**

January 17, 2019 - The Board directed staff to initiate due diligence to determine whether to convey the western 6.31 acres of APN 010-037-04 under NRS Chapter 244 for development of affordable/workforce housing and prepare a proposed Request for Proposals ("RFP") to allow the Board to seek proposals from qualified developers through a competitive process.

September 5, 2019 - The Board reviewed and discussed the draft RFP and directed staff to publish the RFP in order to seek proposals from qualified developers through a competitive process.

December 5, 2019 - The Board held a public hearing on the RFP and the selection of a developer for the Property, and approved a motion selecting PalaSeek LLP to work with the City to pursue a Development Agreement for PalaSeek LLP's proposed project.

April 15, 2021 - The Board approved an Exclusive Negotiating Rights Agreement wherein Carson City and PalaSeek LLP agreed that until January 1, 2022, they will pursue a Development Agreement wherein PalaSeek LLP will develop affordable housing on the western 6.31 acres of APN 010-037-04.

November 4, 2021 - The Board reviewed and provided direction to staff on a proposed Development Agreement between Carson City and PalaSeek LLP, Oikos, and Sierra Flats for development of the affordable housing project on the Property.

### **Background/Issues & Analysis**

On September 12, 1960, Carson City acquired approximately 127.7 acres of property along Butti Way from the State of Nevada. Since this time, the property has been developed to house several city departments and facilities including the Carson City Public Works Department and Corporate Yard, the Carson City Parks, Recreation and Open Space Department, the Nevada Humane Society and the Carson City Water Resource Reclamation Facility. Within that 127.7 acres acquired by the City is 7.81 acres of real property at 3410 Butti Way (APN 010-037-04). The City has designated the western-most 6.31 acres of the 7.81 acres making up APN 010-037-04 for the development of an affordable housing project. The remaining 1.5 acres making up the eastern-most portion of APN 010-037-04 is being reserved for future use by the City. The City does not have a present need to retain the 6.31 acres for public use and identified it as a feasible location for affordable/workforce housing.

Since the Board directed staff to pursue a development agreement with PalaSeek LLP for an affordable housing project, that project has been awarded \$1,250,000 in annual low-income housing tax credits, \$900,000 in National Housing Trust Funds, and \$1,750,000 in federal HOME funds from the Nevada Housing Division. Additionally, PalaSeek LLP has partnered with Oikos, a tax exempt 501(c)(3) specializing in public housing development, and together they formed Sierra Flats to pursue Phase 1 of an affordable housing development on the Property with 40 units for seniors and 40 units for families.

In conjunction with this agenda item, the Board will also consider the first reading of the Development Agreement for Phase 1, which is intended be built on the Property. As described in the Development Agreement, prior to conveyance of the Property to Oikos, the Development Agreement must be executed and the parcel map for the Property must be recorded clearly delineating the portion of APN 010-037-04 subject to the Development Agreement and the related conveyance of 2.91 acres.

Staff has reviewed Nevada Revised Statutes and, based on the circumstances, recommend conveyance of the property to a nonprofit organization for development of affordable housing pursuant to NRS 244.287.

Oikos, an IRS tax-exempt 501(c)(3), has submitted an application requesting that Carson City convey the Property to it, without consideration, for the development of an affordable housing project under NRS 244.287.

NRS 244.287 requires that, before the Board makes a determination on that application, it hold at least one public hearing, and 10-40 days before that public hearing, Carson City must give public notice of the time, place and specific purpose of the hearing. Such notice must be:

- (a) Published at least once in a newspaper of general circulation in the county.
- (b) Mailed to all owners of record of real property which is located not more than 300 feet from the property that is proposed for conveyance.
- (c) Posted in a conspicuous place on the property that is proposed for conveyance.

At that public hearing, the Board may approve Oikos' application for conveyance if it demonstrates to the satisfaction of the Board that it or its assignee will use the Property to develop affordable housing.

If the Board ultimately approves the application for conveyance, it may convey the Property to Oikos without consideration. However, as a condition to the conveyance of the property, the Board shall enter into an agreement with Oikos requiring that it or its assignee use the Property to provide affordable housing for at least 50 years. Consistent with this requirement, the Development Agreement requires a 51-year period where the Property is used for affordable housing.

**Applicable Statute, Code, Policy, Rule or Regulation**

NRS 244.287

**Financial Information**

**Is there a fiscal impact?** No

**If yes, account name/number:** N/A

**Is it currently budgeted?** No

**Explanation of Fiscal Impact:** N/A

**Alternatives**

Provide alternative direction to staff regarding any conveyance of the Property.

**Attachments:**

[2\\_Application for Conveyance from Oikos Development Corporation \(ODC\).pdf](#)

[3\\_Deed.pdf](#)

**Board Action Taken:**

Motion: \_\_\_\_\_

1) \_\_\_\_\_

2) \_\_\_\_\_

Aye/Nay

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)



*Oikos Development Corporation*  
1712 Main Street  
Suite 206  
Kansas City, MO 64108  
[msnodgrass.odc@gmail.com](mailto:msnodgrass.odc@gmail.com)

---

November 10<sup>th</sup>, 2021

Carson City Board of Supervisors:

Re: Application for conveyance of 2.91 under NRS 244.287 for the development of affordable housing

Oikos Development Corporation (ODC) is a not-for-profit 501c3 operating in multiple states, including Nevada. Our mission is to provide quality, affordable housing in areas of the country where a need is present, which now includes most of the United States.

Consistent with the proposed development agreement between Carson City and PalaSeek LLP, Oikos Development Corporation (“Oikos”), and Sierra Flats Senior LP, Oikos now applies for conveyance of the 2.91 acres described in Exhibit A & A-1 to this letter under NRS 244.287.

Thank you for your consideration.

Sincerely,

Michael Snodgrass  
President/CEO  
Oikos Development Corporation

**EXHIBIT A**  
**DESCRIPTION OF SIERRA FLATS – PHASE 1**

A portion of Parcel 1 shown on that Record of Survey supporting a Boundary Line Adjustment for Carson City, recorded as File No. 278817 on May 30, 2002, in Book 9, Page 2454 (Map No. 2454), in the Carson City Recorder's Office, Carson City, Nevada, situate within the Southwest 1/4 of the Northwest 1/4 of Section 15, Township 15 North, Range 20 East, Mount Diablo Base & Meridian, more particularly described as follows:

**BEGINNING** at the Northwest corner of said Parcel 1, described as the N1/16 Cor Sec 15-16, as shown on said Record of Survey point on the southerly line of said Parcel 1;

**THENCE**, leaving the **POINT OF BEGINNING**, and along the North line of said Parcel 1, departing said line, South 88°59'25" East, 410.00 feet;

**THENCE**, leaving said North line South 00°38'21" West, 189.75 feet, to the northerly right-of-way line of Butti Way, as described in Document Number 276885 as file in the Official Records of Carson City, Nevada on April 19, 2002, to the beginning of a non-tangent curve to the left from which the radius point bears South 21°45'16" East;

**THENCE**, southwesterly, along the northerly right-of-way line of said Butti Way, 33.93 feet along the arc of a curve having a radius of 426.66 feet and through a central angle of 04°33'25";

**THENCE**, continuing along said northerly right-of-way line, South 63°41'20" West, 50.52 feet;

**THENCE**, continuing along said northerly right-of-way line South 55°11'12" West, 187.18 feet;

**THENCE**, continuing along said northerly right-of-way line South 50°08'29" West, 81.25 feet, to the easterly right-of-way line of Airport Road;

**THENCE**, along the easterly right-of-way line of Airport Road, North 67°54'48" West, 134.59 feet to the beginning of a tangent curve to the right;

**THENCE**, continuing along the easterly right-of-way line of Airport Road, 65.14 feet along the arc of a curve having a radius of 370.00 feet and through a central angle of 10°05'06", to the most westerly corner of the above-mentioned Parcel 1;

**THENCE**, leaving the easterly right-of-way line of said Airport Road, and along the westerly line of said Parcel 1, North 79°28'19" East, 64.85 feet;

**THENCE**, continuing along the westerly line of said Parcel 1, North 00°38'21" East, 300.00 feet, **POINT OF BEGINNING**.

Containing 2.91 Acres, more or less.

See Exhibit "A-1" attached hereto and made a part hereof

**Basis of Bearings:** South 10°30'31" East between Carson City Control Monuments CC013 and CC087 shown on Record of Survey Map number 2749 recorded August 11, 2010 in the Official Records of Carson City, Nevada, as File Number 403425.

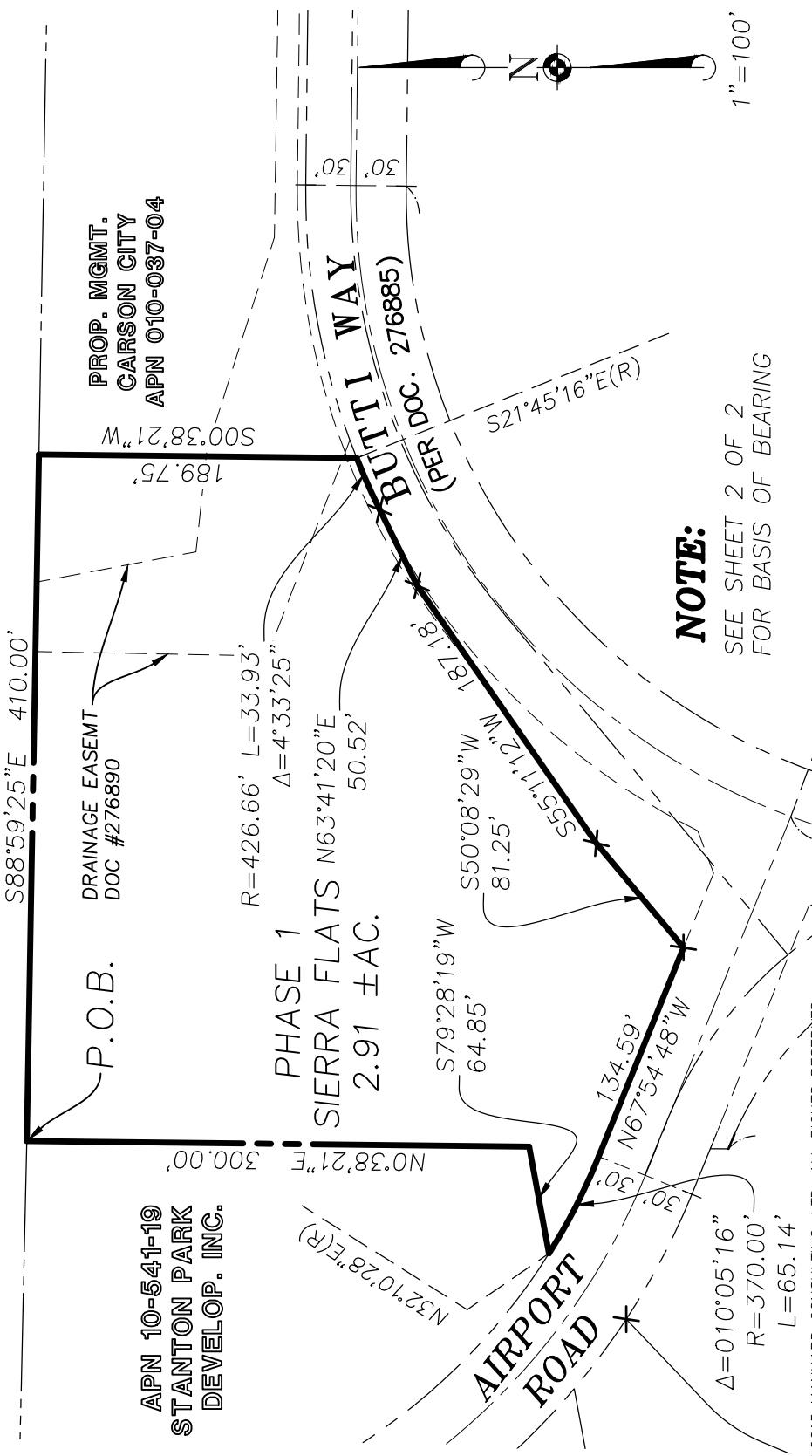
**Surveyor's Certificate:** I hereby certify that the attached description was prepared by me or under my direct supervision and is accurate to the best of my knowledge and belief.

Lee H. Smithson  
Nevada PLS 5097  
For and on behalf of

 **Manhard**  
CONSULTING  
241 Ridge Street, Suite 400  
Reno, Nevada 89501  
(775) 321-6525



**EXHIBIT A-1**



**NOTE:**  
SEE SHEET 2 OF 2  
FOR BASIS OF BEARING

SIERRA FLATS	
CARSON CITY, NEVADA	
TO ACCOMPANY LEGAL DESCRIPTION	
PROJ. MGR.: LHS	PROJECT CODE CAACCNV01
DRAWN BY: _____	SHEET 1 OF 2
DATE: NOV. 2021	
SCALE: 1" = 100'	

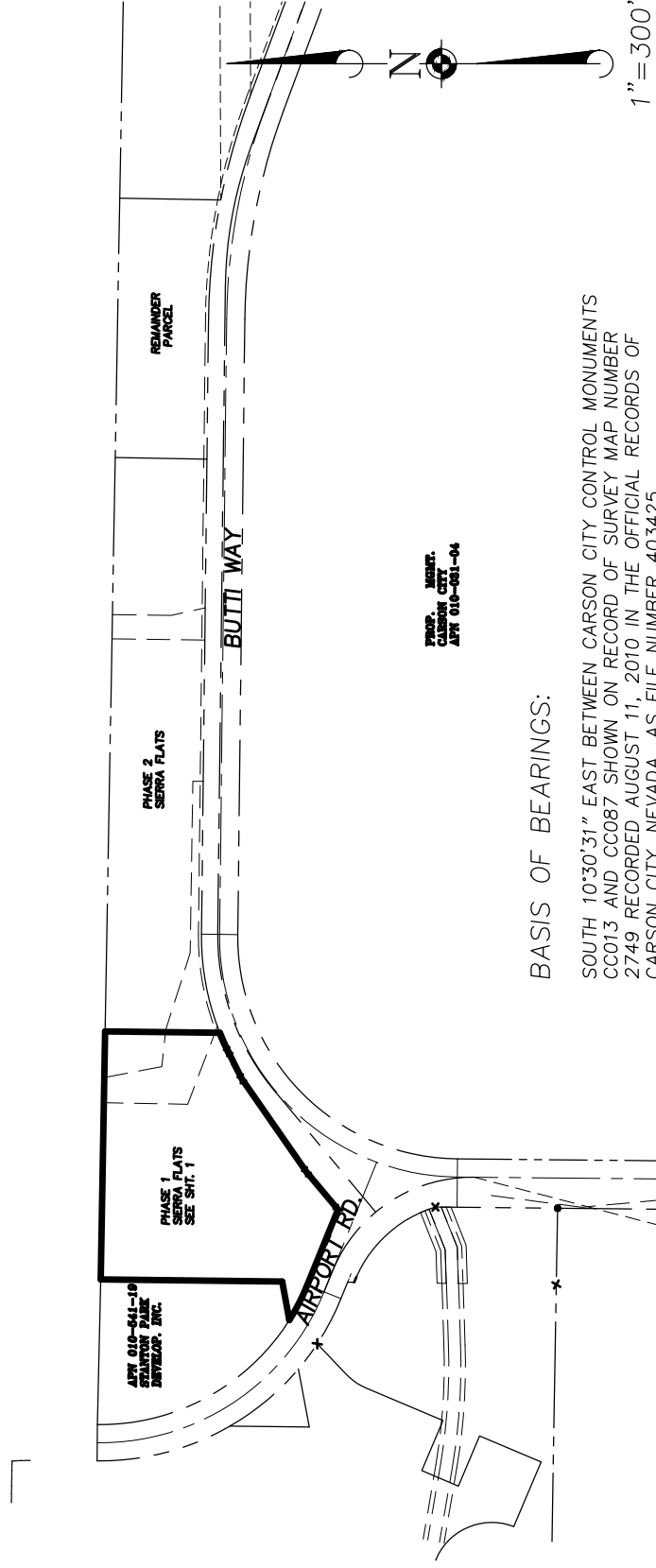


© 2015 MANHARD CONSULTING, LTD. ALL RIGHTS RESERVED.  
 241 Ridge Street, Suite 400, Reno, NV 89501  
 Civil Engineers | Surveyors | Water Resource Engineers | Water & Waste Water Engineers  
 Construction Managers | Environmental Scientists | Landscape Architects | Planners

fx: 775.746.3520  
 manhard.com

ph: 775.746.3500

# EXHIBIT A-1



### BASIS OF BEARINGS:

SOUTH 10°30'31" EAST BETWEEN CARSON CITY CONTROL MONUMENTS CC013 AND CC087 SHOWN ON RECORD OF SURVEY MAP NUMBER 2749 RECORDED AUGUST 11, 2010 IN THE OFFICIAL RECORDS OF CARSON CITY, NEVADA, AS FILE NUMBER 403425.

© 2015 MANHARD CONSULTING, L.T.D. ALL RIGHTS RESERVED



241 Ridge Street, Suite 400, Reno, NV 89501  
 ph: 775.746.3500 fx: 775.746.3520 manhard.com  
 Civil Engineers | Surveyors | Water Resource Engineers | Water & Waste Water Engineers  
 Construction Managers | Environmental Scientists | Landscape Architects | Planners

SIERRA FLATS - A.P.N. 010-037-04

CARSON CITY, NEVADA

TO ACCOMPANY LEGAL DESCRIPTION

PROJ. MGR.:	LHS	PROJECT CODE	CAACCNV01
DRAWN BY:		SHEET	2
DATE:	NOV. 2021	OF	2
SCALE:	1" = 60'		



INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **DEC 10 2018**

OIKOS DEVELOPMENT CORPORATION  
C/O MICHAEL SNODGRASS  
600 N 17TH ST  
KANSAS CITY, KS 66102-4204

Employer Identification Number:  
83-2398791  
DLN:  
17053317366008  
Contact Person:  
SHEILA M ROBINSON ID# 31220  
Contact Telephone Number:  
(877) 829-5500  
Accounting Period Ending:  
December 31  
Public Charity Status:  
170(b)(1)(A)(vi)  
Form 990/990-EZ/990-N Required:  
Yes  
Effective Date of Exemption:  
October 23, 2018  
Contribution Deductibility:  
Yes  
Addendum Applies:  
No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to [www.irs.gov/charities](http://www.irs.gov/charities). Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Letter 947

APN [TBD]

AFTER RECORDING RETURN TO:

Attention: Michael Snodgrass  
Oikos Development Corporation  
1712 Main Street, Ste. 206  
Kansas City, MO 64108

QUITCLAIM DEED

THIS DEED, made this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between CARSON CITY, NEVADA, a CONSOLIDATED MUNICIPALITY, hereinafter called GRANTOR and OIKOS DEVELOPMENT CORPORATION, a Missouri nonprofit corporation and I.R.S. tax-exempt 501(c)(3) organization, hereinafter called GRANTEE,

WITNESSETH:

That said GRANTOR, pursuant to Resolution \_\_\_\_\_-R-\_\_\_\_\_ (Exhibit B) and NRS 244.287, for good and valuable consideration, the receipt whereof is hereby acknowledged, and acting in accordance with the provisions of NRS 244.287, does hereby remise, release and forever quitclaim unto the said GRANTEE all of the right, title and fee interest of said GRANTOR in and to that certain real property located at 3410 Butti Way, Carson City, Nevada (APN [TBD]) as shown on Exhibit A & A-1 ("PROPERTY").

SUBJECT TO:

- (1) Section 2.3(A) of the Development Agreement with GRANTOR (Exhibit C) and NRS 244.287(8) requiring the PROPERTY to automatically revert to GRANTOR if within 5 years after this conveyance GRANTEE or its lawful agents, partners, successors, or assignees have not commenced construction of affordable housing, or entered into such contracts as are necessary to commence the construction of affordable housing.
- (2) Section 2.3(B) of the Development Agreement with GRANTOR (Exhibit C) permitting GRANTOR to exercise a right to reenter and terminate GRANTEE's estate in the PROPERTY if (absent an extension from GRANTOR) construction on an affordable housing project has not commenced on the PROPERTY on or before June 1, 2022.
- (3) Section 2.3(B) of the Development Agreement with GRANTOR (Exhibit C) permitting GRANTOR to exercise a right to reenter and terminate GRANTEE's estate in the PROPERTY if (absent an extension from GRANTOR) construction on an affordable housing project has not been completed on the PROPERTY on or before December 31, 2023.
- (4) The Declaration of Restrictive Covenants attached as Exhibit D.

IN WITNESS WHEREOF said GRANTOR has hereunto signed on the day and year first above written.

\_\_\_\_\_  
LORI BAGWELL, Mayor

STATE OF NEVADA )

CARSON CITY )

This instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
by \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

APPROVED AS TO FORM:  
Carson City District Attorney

By: \_\_\_\_\_

Date: \_\_\_\_\_