

2013-2014

ANNUAL REPORT

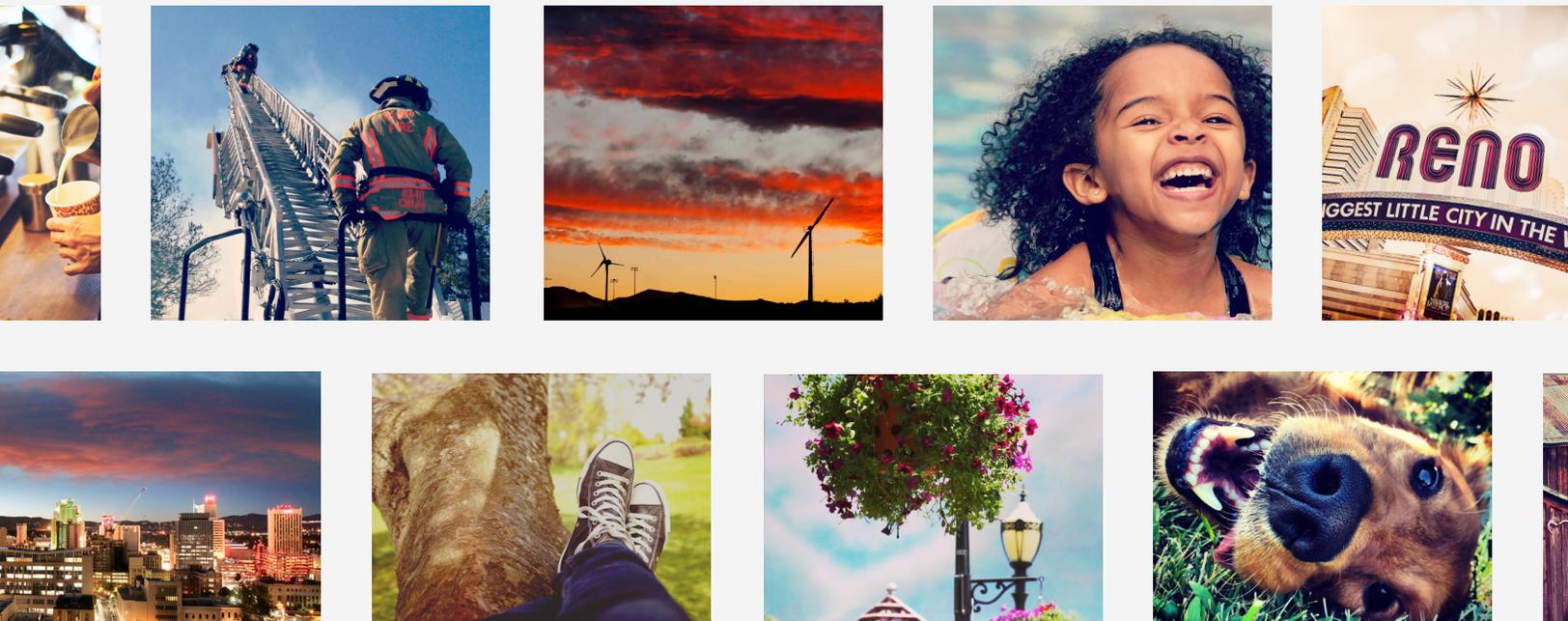


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MESSAGE

FROM THE CITY MANAGER

DEAR RESIDENTS,

The City of Reno prides itself on being a place where residents, businesses, and visitors can thrive. Our mission is to provide innovative and efficient government services that allow our community to enjoy an enhanced quality of life.

Financial stability has been a top priority of mine and the City Council's since I arrived at the City of Reno in June 2011, and Fiscal Year 2013-14 was another important step in that direction. We will continue to make progress in the effort to position the City for long-term fiscal sustainability.

Our focus remains on improving communication with our constituents, providing safe and livable neighborhoods, improving city services, and supporting the exciting economic development collaborations that continue at the local, regional, and state levels.

In this Annual Report, you will read about our organization's collective

accomplishments, specifically how we've worked diligently to support the four priorities that have been established by the Reno City Council. You will also discover how Reno's quality of life, business-friendly atmosphere, and ties to its top-tier University of Nevada make it an outstanding place to work and live.

We look forward to enhancing our citizen engagement processes and improving community relations not only to unite the Biggest Little City in the World locally, but to strengthen its reputation nationally and globally.

Respectfully,



ANDREW CLINGER
Reno City Manager



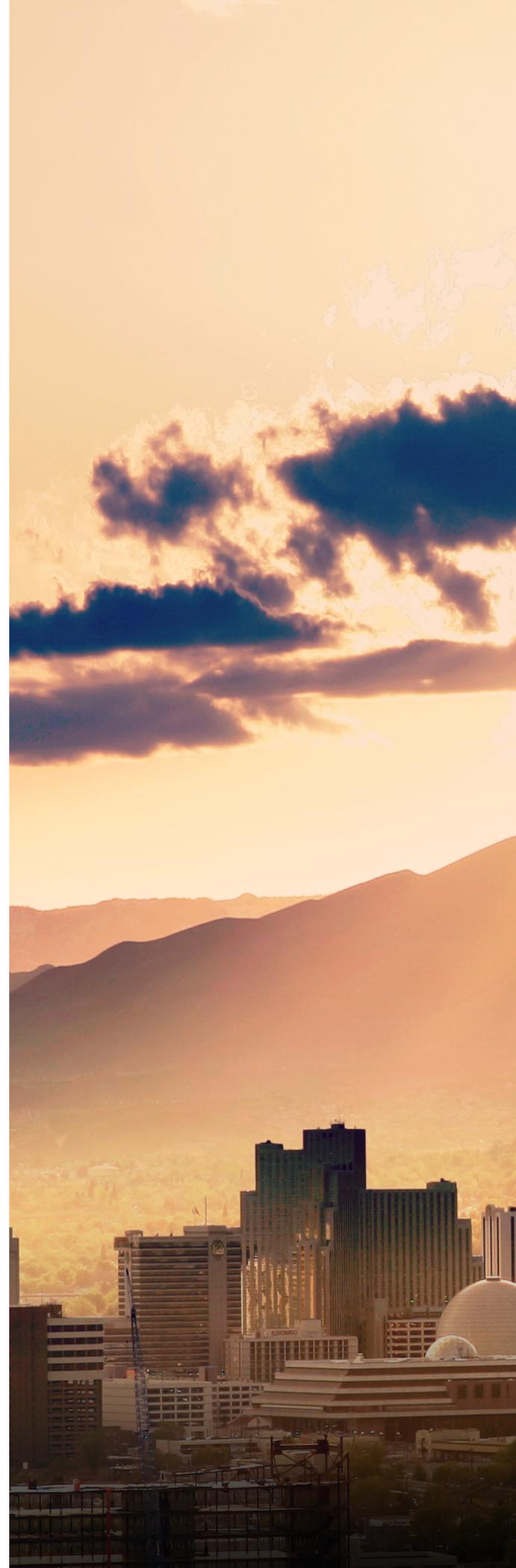
ABOUT RENO: **THE BIGGEST LITTLE CITY IN THE WORLD**

Reno's 232,000 residents enjoy a consistently sunny, high-desert climate and have access to renowned arts, dining, recreation, and special events.

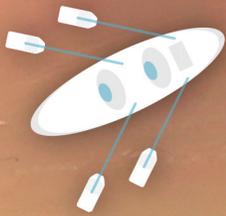
The Truckee River runs through the heart of downtown. Lake Tahoe, nestled in the Sierra Nevada Mountains, is a mere 30-minute drive away. For a portion of the year, Reno is one of the nation's most popular ski towns.

Reno is known internationally as the gateway to Burning Man and the home of the month-long Artown festival. There are more than 100 other special events held annually in Reno as the area welcomes more than 4 million visitors every year.

Reno's economic history transitions through booming eras of mining, progressive divorce laws, and legalized casino gaming. Today, Reno is pioneering a future in advanced manufacturing, clean energy, and technology and has become a launching pad for startups and entrepreneurs. A number of industrial giants, including Microsoft Licensing, International Gaming Technology, Barnes & Noble, Apple, and Starbucks have facilities in the greater Reno area.



RENO IS HOME TO:



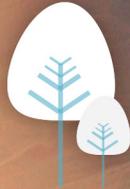
1

WHITewater
KAYAK PARK



8

MUSEUMS



86

PARKS
(2,477 ACRES)



4

COLLEGES



2

PROFESSIONAL
SPORTS TEAMS

MEET THE RENO CITY COUNCIL

Reno is the largest city in northern Nevada. Its citizens are represented by a City Council consisting of five ward representatives, one at-large member, and a Mayor.

Reno has a council-manager form of government, with the Mayor and six Council Members working in unison with the Reno City Manager, who implements the Council's policy decisions and oversees all aspects of City operations.

The City Council meets at Reno City Hall twice a month, on Wednesdays, beginning at noon. Meetings are streamed live and viewable on **Reno.gov** and from the City of Reno app that can be downloaded at **Reno.gov/apps**.

For more information about the Reno City Council, its members and priorities, visit **Reno.gov/CityCouncil**.



ROBERT CASHELL, SR., MAYOR
cashellr@reno.gov



JENNY BREKHUIS, WARD 1
brekhusj@reno.gov



SHARON ZADRA, WARD 2
zadras@reno.gov



OSCAR DELGADO, WARD 3
delgadoo@reno.gov



DWIGHT DORTCH, WARD 4
dortchd@reno.gov



NEOMA JARDON, WARD 5
jardonn@reno.gov



HILLARY SCHIEVE, AT-LARGE
schieveh@reno.gov



VISION, MISSION, AND STRATEGIC PRIORITIES

The Biggest Little City in the World offers exceptional quality of life, culture, and a vibrant, diverse economy.

VISION

Our vision is to have a city government that works to enhance our city's quality of life by listening to and valuing the needs of all citizens. When we can listen to the needs of the people and provide them with the services and leadership they're asking for, then we'll have a city government that truly reflects the best qualities of the place we call home.

MISSION

The City of Reno government's mission is to efficiently provide the highest level of service to our community and enhance the quality of life and economic vitality.

STRATEGIC PRIORITIES

We believe that in order to achieve our vision and mission, we must:

- **Promote a Sustainable and Vibrant Economy**
- **Provide Efficient and Responsive City Services**
- **Provide Safe and Livable Neighborhoods**
- **Enhance Communication and Community Engagement**

In the following pages, you will learn how the City of Reno supported these four strategic priorities in Fiscal Year 2013-14.

PROMOTING A SUSTAINABLE AND VIBRANT ECONOMY

Creating and promoting a thriving economy has been a key City of Reno priority since 2010. After grappling with the effects of the recession, Reno is on the upswing. Our unemployment rate (7.1 percent) is one of the lowest in the state and exciting prospects are on the horizon. In May 2014, Reno recorded the highest year-over-year job creation growth rate in the state (3.9 percent), adding 7,100 jobs to the payroll base.

STARTUPS

Reno is home to a blossoming entrepreneurial community. In November 2013, Reno was recognized by the Kauffman Foundation as the most up-and-coming entrepreneurial community for its size in the nation. Many of our startups are concentrated along “Startup Row,” a revitalized neighborhood in downtown Reno adjacent to the Truckee River.

Reno hosts regular Startup Weekends, Maker Fairs, Hackathons, and TEDx events. It was also the first city west of the Mississippi to launch 1 Million Cups. In March 2014, the community participated in a large cross-sector “Rainforest” session facilitated by Silicon Valley's Victor Hwang. A variety of entrepreneurial organizations and accelerators provide ongoing opportunities to grow Reno’s Rainforest through shared work-space environments, networking, professional support, and collaboration.

In support of the startup sector, the City piloted a new, early-stage financing program called the Reno Accelerator Fund. Managed by Newbean Capital, the Fund made convertible note investments in eight promising startups (see graphic below), with an additional eight planned for Fiscal Year 2014-15. For more information, visit acceleratereno.com.



BUILDING A SMARTER REGION

Reno's 2013 Smarter Cities Challenge Grant award from IBM grew into the 2014 Smarter Region consortium. Eleven private and public entities came together to improve regional economic development. The first Smarter Region Summit occurred in the spring, with a second slated for fall 2014. To date, Reno is the first Smarter City awardee to expand its project, invite other entities to participate, and create a new, multi-agency governance model.

WORKFORCE DEVELOPMENT

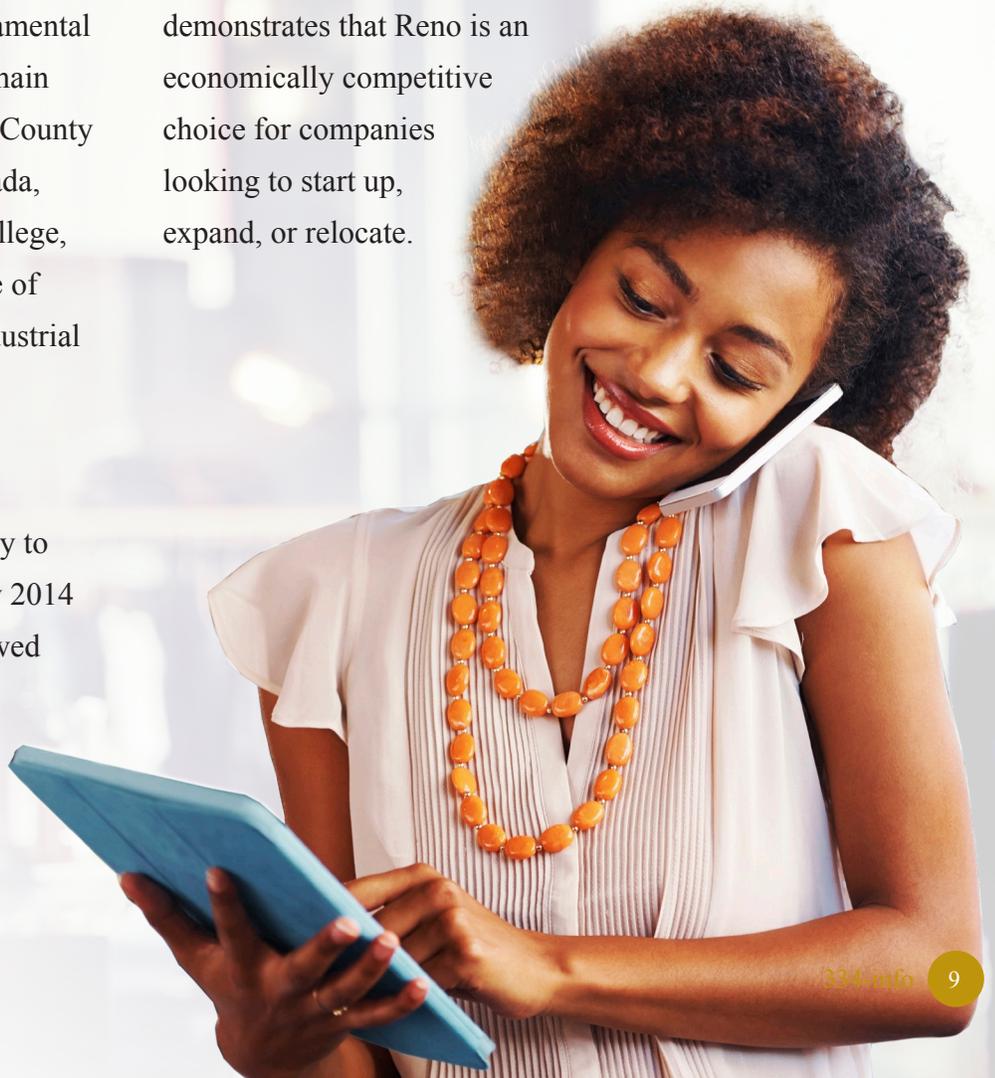
The City understands that a vibrant economy requires a well-trained, qualified workforce and that our educational sector is fundamental to supplying this resource. The City's main educational organizations, the Washoe County School District, the University of Nevada, and Truckee Meadows Community College, are collaborating to train the workforce of tomorrow and respond to emerging industrial demand throughout the region.

Washoe County's K-12 graduation and educational statistics compare favorably to national standards. A study in February 2014 by the Buckley Education Groups showed that Washoe County ranked 15th in the nation for college readiness and 12th for Advanced Placement test takers.

NEW OPPORTUNITIES FOR FISCAL YEAR 2014-15

The past year, the FAA announced that Reno's Stead Airport had been selected as one of six test sites nationally for the Unmanned Autonomous Systems (UAS) project – or drones. The UAS project is spurring interest from high-tech industries exploring relocating to the Reno area and has spun off new workforce development programs in the educational sector.

In spring 2014, our region was “short-listed” as one of Tesla's potential North American sites for its new lithium battery “gigafactory.” Tesla's decision to pinpoint our community demonstrates that Reno is an economically competitive choice for companies looking to start up, expand, or relocate.



PROVIDING EFFICIENT AND RESPONSIVE CITY SERVICES

City staff adapted to the recession by working more efficiently, frequently looking to technology solutions and collaborating across departments. As the City has recovered, we have continued to explore process improvements that will allow us to provide high-quality services to our constituents with cost-saving efficiencies.

FINANCIAL EFFICIENCY IN PARKS AND RECREATION

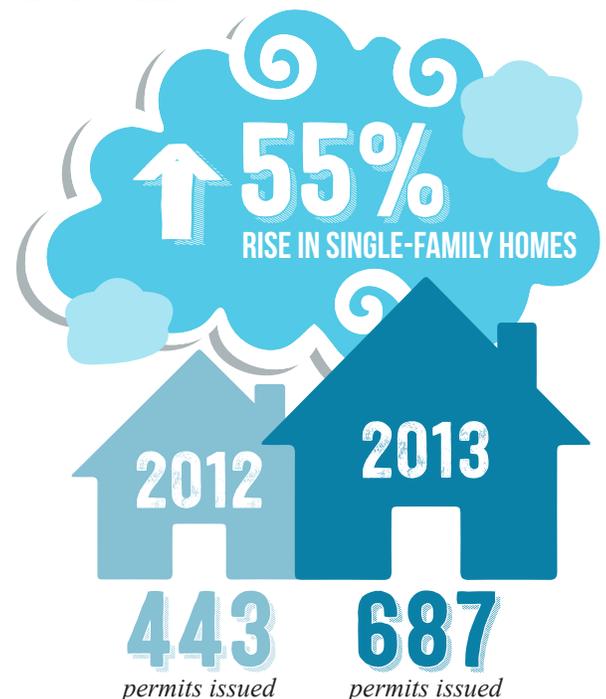
The City strategically transferred the operational responsibility of Rosewood Lakes Golf Course by leasing the course to the First Tee of Northern Nevada, a local nonprofit. The partnership relieves the City of some of the annual financial burden of operating the course and provides an affordable golf experience geared toward youth and seniors. Transitioning the course to a private entity is projected to save the City of Reno approximately \$320,000 in Fiscal Year 2014-15.

STREAMLINING THE COMMUNITY DEVELOPMENT PERMIT PROCESS

Current City of Reno building data is reflective of a healthy and robust economy, a good sign that the region is well on the path to full recovery from one of the worst recessions in its history. The City issued building permits for nearly 700 single-family homes last year, up

55 percent from the previous year and the most since 2008 (see graphic below). The overall number of permits issued in 2013, combining residential and commercial, was 6,670. There were approximately 1,000 more permits issued in 2013 than in 2012.

The City of Reno intensified efforts to simplify the permit process and make it more business-friendly by adding weekend and expedited inspections, as well as extending the daily operation of the permitting office from six hours to nine.



SPECIAL EVENTS PROCESS

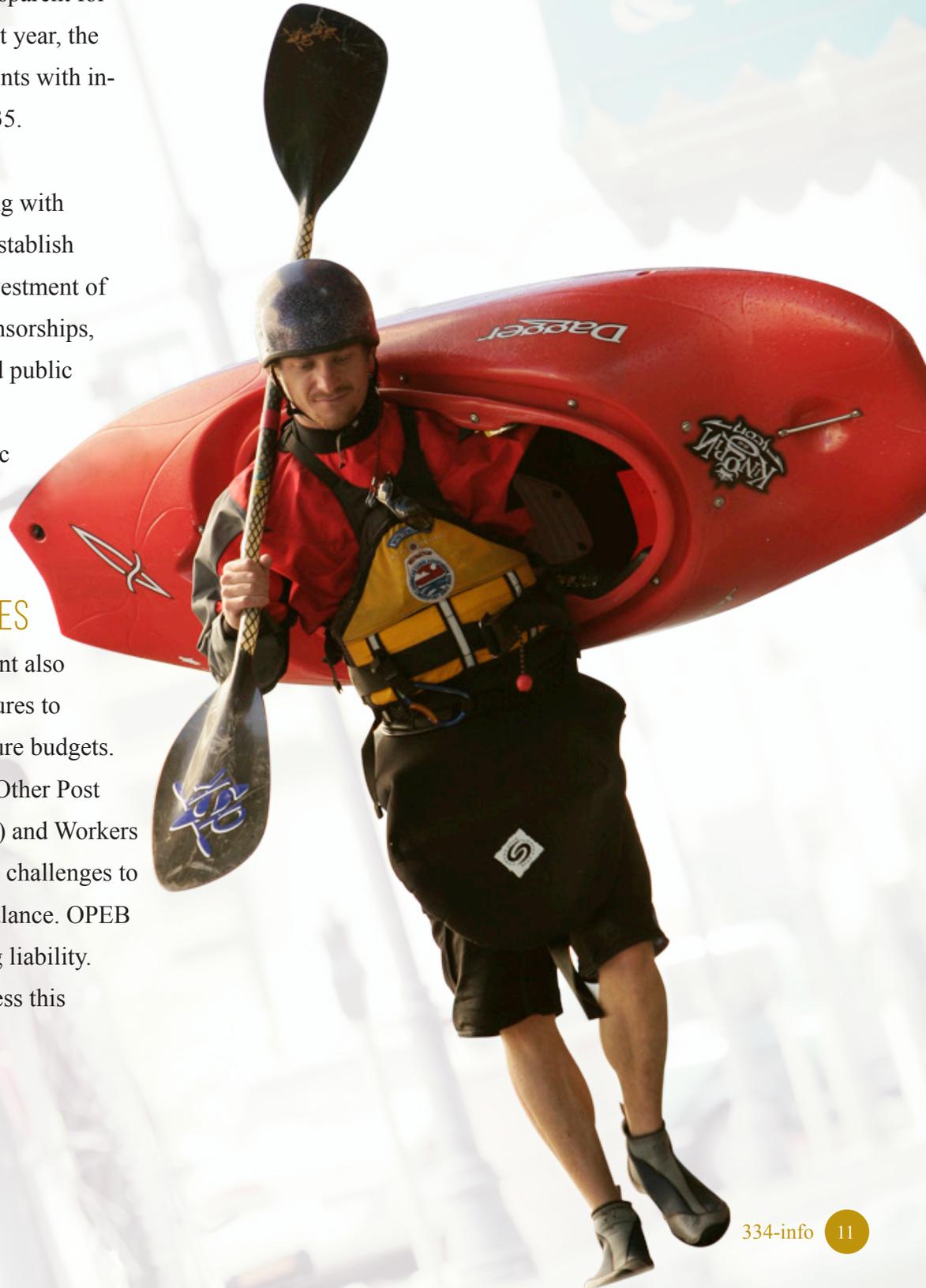
The City established a Special Events Sponsorship Committee which oversees City sponsorships of special events, making the process more transparent for applicants and the public. Last year, the City sponsored 36 special events with in-kind services totaling \$275,735.

This year, City staff is working with the University of Nevada to establish metrics around returns-on-investment of the previous year's event sponsorships, allowing the City Council and public to understand the role those sponsorships play in economic development.

ADDRESSING CHALLENGES

Being a responsive government also entails taking proactive measures to address factors that affect future budgets. Unfunded liabilities, such as Other Post Employment Benefits (OPEB) and Workers Compensation, are presenting challenges to maintaining a healthy fund balance. OPEB is a \$210 million and growing liability. Identifying a strategy to address this

liability is a high priority in coming years. In 2013, the City's Finance Department established a special savings trust to begin the process of budgeting ongoing deposits to mitigate the future liability.



PROVIDING SAFE AND LIVABLE NEIGHBORHOODS

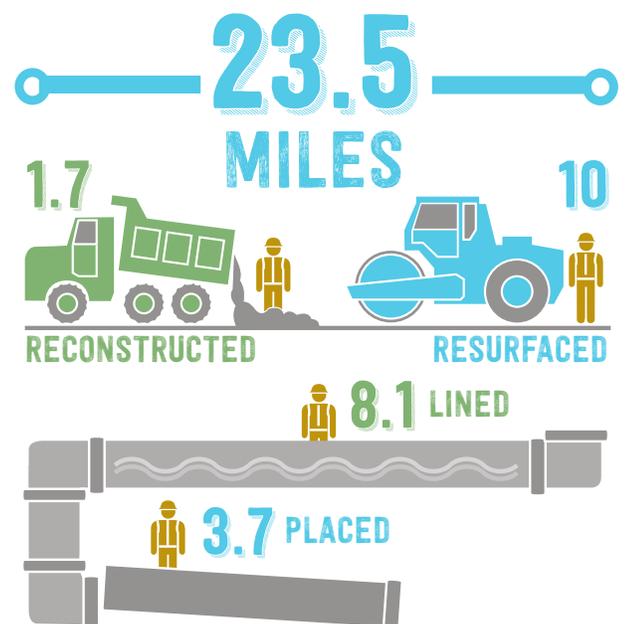
Residents have consistently identified safety and livability as critical elements of the quality of life we all enjoy. In addition to police and fire services, well-maintained streets, public art and facilities, and parks and recreation programs are important to our constituents. In an effort to fulfill their expectations during lean budget years, the City implemented creative approaches.

FOCUS ON PUBLIC SAFETY AND INFRASTRUCTURE

The City allocates 65 percent of the General Fund to the Reno Fire Department and Police Department. Both departments maintain a high degree of community involvement and endeavor to identify opportunities that will promote safety and citizen protection. Further, upgrading the City's infrastructure, through Public Works projects, is integral in addressing this priority.

- The Reno Fire Department (RFD) created a Community Assistance Program to provide help to members of the community who have been impacted by fire and natural disasters. RFD also successfully obtained two grants to address community concerns: one will be used to purchase and install smoke/fire detectors in seniors' homes and the other will be used to reduce the risk of wildfire in a ravine that is adjacent to the area of the 2011 Caughlin Fire.

- Through a public-private partnership, the City opened Fire Station 12 in Damonte Ranch. The new fire station adds more fire protection to citizens in south Reno and the surrounding community. The City worked with a local developer on the design, construction, and land use.
- The Public Works Department continued its Neighborhood Street Program with the reconstruction and surfacing of 11.7 miles of roads. The Sewer Rehabilitation Program placed and lined 11.8 miles of sewer main (see graphic below).



- The Reno Police Department (RPD) implemented a “community action officers” concept, which is focused on the creation of problem-solving teams to address recurring community issues. For example, the Mobile Outreach Safety Team pairs an officer with a social worker to address residents with mental illness who are in a state of crisis. RPD also initiated Blueprint 360, a faith-based mentoring program, with the Washoe County School District and Encounter Church. The program helps high-risk youth improve reading skills.

City Council also approved the allocation of \$64,000 from the General Fund and \$130,000 from the Room Tax Fund to a total of 40 nonprofit arts and culture organizations. In addition, Council allocated sponsorships of approximately \$153,000 from the Room Tax Fund to the Artown festival and the Pioneer Center for Performing Arts.

HISTORIC RENO APP

In May 2014, the Reno Historic Resources Commission and the Special Collections Division of the University of Nevada launched a historic mobile app. The app helps users identify the many aspects of Reno’s rich historical legacy using a hand-held mobile device. The app can be downloaded at renohistorical.org.

ARTS AND CULTURE

The community has a rich variety of special events, historic buildings, performing arts, and galleries. A strong public art program helps sustain and encourage both downtown economic development and neighborhood identities. Last year, the City Council unanimously approved changes to the Reno Municipal Code which protect artisans’ First Amendment rights by giving them the freedom to express themselves and/or sell their art in public parks without having to obtain business licenses or park permits.



ENHANCING COMMUNICATIONS AND COMMUNITY ENGAGEMENT

The City of Reno recognizes that it would not be able to get out its message, nor would it be able to receive valuable feedback from its residents and the public at large, without a strong communications and community engagement effort.

REDEFINING COMMUNITY ENGAGEMENT

The City of Reno's Office of Communications and Community Engagement spearheaded a redefined community engagement program. Hosting general and subject-specific forums provides opportunities for citizens to play a bigger role in their local government. This communications approach allows the City to conduct more meaningful discussions with citizens regarding neighborhood issues and the City's future.

Last year's in-person engagement opportunities included: Six community forums hosted in ward-specific locations; two neighborhood clean-up and graffiti-removal events; five "Coffee and Comments" forums; nine community outreach events; and two "hot topic" meetings concerning a permit issue and neighborhood safety.

#THINKRENO ASKS FOR CITIZEN INPUT

In 2013, the City launched #ThinkReno, a citizen engagement campaign to provide a more convenient way for citizens to share ideas with staff through an online idea portal and using the hashtag on social media. There are currently 265 users who have initiated, commented, or voted on ideas posted on **ThinkReno.org**. A popular idea submission was to further the connection between the University of Nevada and City of Reno.



225 ideas from
thinkreno.org

42 ideas from
social media

191 ideas from
forums and events



In response to this idea, the City installed University flags throughout downtown, painted newspaper boxes in University colors, partnered with the Alumni Association on Homecoming events, and launched a city-wide effort to encourage citizens to wear University colors every Friday. The City also leased a 25,000 square-foot building to the University to expand the Colleges of Engineering and Business.

The #ThinkReno campaign was used as an idea catalyst during the recent “I #ThinkReno Can Be...” community forums. The City collected over 400 ideas during these in-person forums and online interactions. The ideas were reported to City Council prior to the Fiscal Year 2014-15 budget workshops (see graphic on opposite page).

ENHANCING COMMUNICATIONS ONLINE

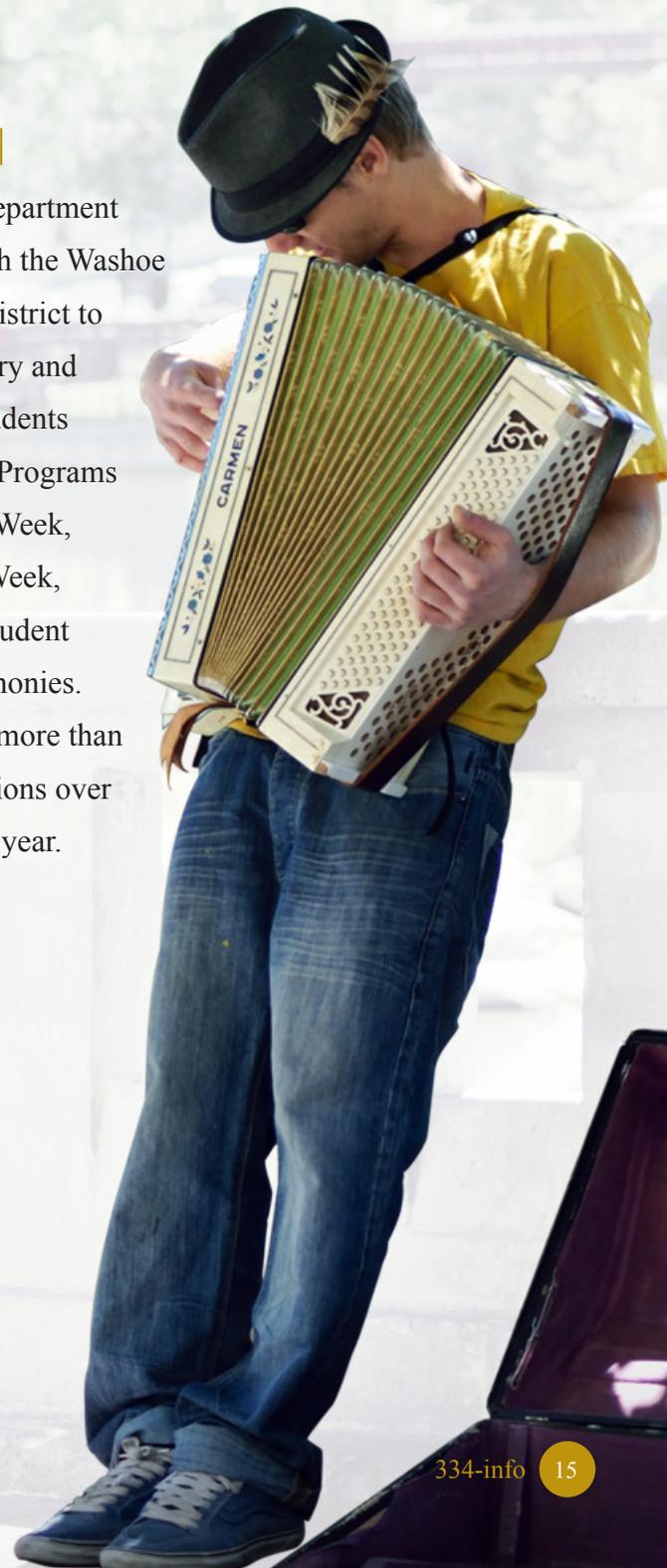
In December 2013, the City of Reno launched a redesigned website at **Reno.gov**. The award-winning website features local photography and is designed for users to find anything about the City in a fast and easy way. The City also created a Reno app for the “on-the-go” citizen. The app allows users to report graffiti, watch live meetings, and more. The app can be downloaded at **Reno.gov/apps**.

The City has also ramped up its efforts on social media, with a new blog at **aroundthearch.com** and an expanded presence on Facebook, Twitter, Google+,

LinkedIn, Pinterest, Tumblr, and Instagram. Social media allows followers to engage in the latest City events and news. In addition, the City is able to address citizens’ questions and concerns regarding policy and other matters in a timely and efficient manner.

EDUCATING RENO'S YOUTH

The Reno Fire Department has partnered with the Washoe County School District to educate elementary and middle school students about fire safety. Programs include Reading Week, Fire Prevention Week, mentoring, and student recognition ceremonies. There have been more than 135 such interactions over the course of last year.

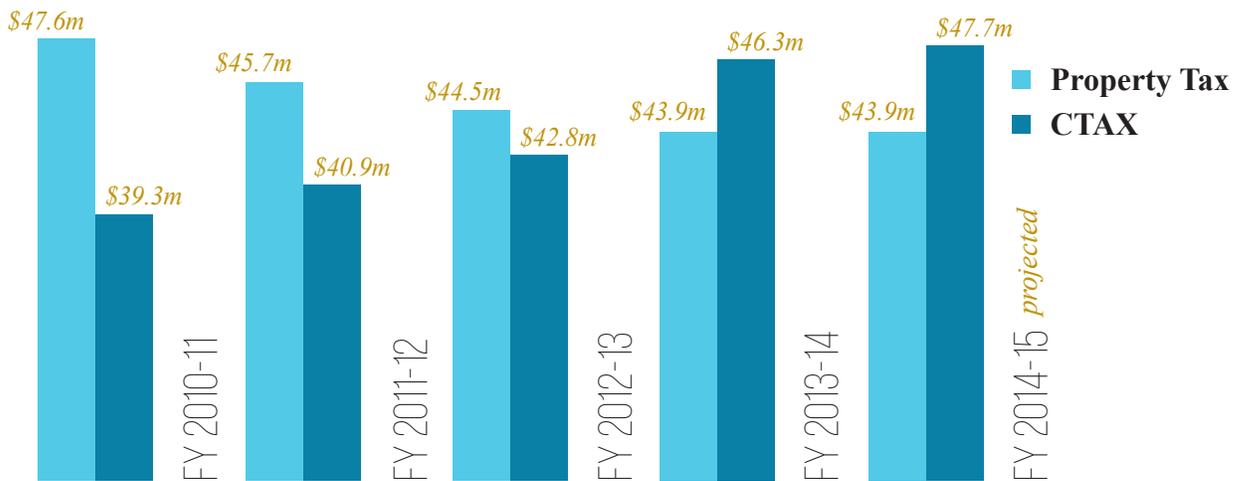


FINANCIAL OVERVIEW

THE GENERAL FUND BUDGET (FISCAL YEAR 2013-14)

The City of Reno's General Fund is distributed into 14 service departments. Those departments include: Police; Fire; Parks, Recreation, and Community Services; Emergency Communications

and Technology; Public Works; Municipal Court; City Manager's Office; Community Development; City Attorney's Office; Finance; City Clerk; Human Resources; City Council; and Civil Service. The majority of the General Fund is allocated toward public safety (see graphic below).



REVENUE TRENDS

The City's Property Tax revenue is leveling out and is projected at approximately \$43.9 million in Fiscal Year 2014-15, the same as it was the previous fiscal year.

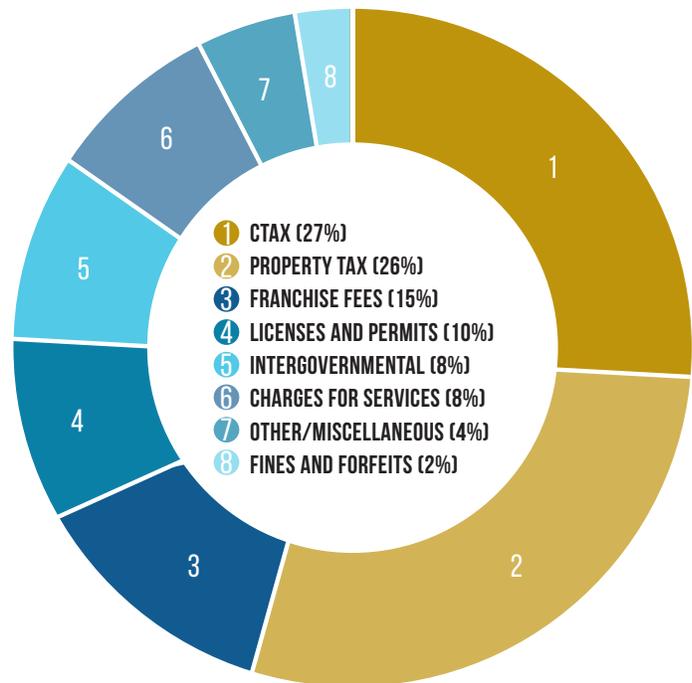
Consolidated Tax (CTAX), primarily sales tax, revenue is trending up and is projected at \$47.7 million for Fiscal Year 2014-15. This is a 3 percent increase over the previous fiscal year, which was \$46.3 million.

GENERAL FUND REVENUES

(Estimated for the Fiscal Year July 1, 2013 - June 30, 2014)

CTAX	\$46.3m
Property Tax	\$43.9m
Franchise Fees	\$26.0m
Licenses and Permits	\$16.5m
Intergovernmental	\$14.3m
<i>(e.g. gaming licenses, state & federal grants)</i>	
Charges for Services	\$12.7m
<i>(e.g. special assessments, parking, facility use fees)</i>	
Other/Miscellaneous	\$7.3m
<i>(e.g. sales of city property, private grants, rents)</i>	
Fines and Forfeits	\$3.0m
Total Revenues	<u><u>\$170.0m</u></u>

CTAX and Property Tax **53%**

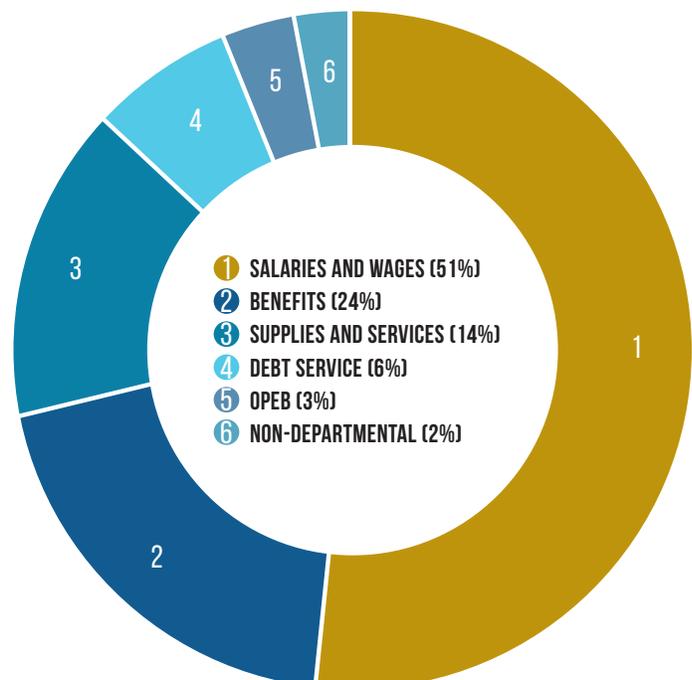


GENERAL FUND EXPENDITURES

(Estimated for the Fiscal Year July 1, 2013 - June 30, 2014)

Salaries and Wages	\$85.7m
Benefits	\$41.3m
Supplies and Services	\$24.0m
Debt Service	\$10.7m
OPEB	\$4.4m
Non-Departmental	\$3.9m
<i>(e.g. insurance, utilities, security)</i>	
Total Expenditures	<u><u>\$170.0m</u></u>

Salaries and Wages **51%**



RENO IN THE NEWS

These recent accolades illustrate why Reno is a great place to live and do business:



Named “*Most Entrepreneurial Metropolitan Area per Capita*”



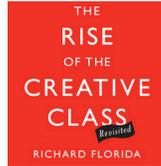
Named one of “*3 Alternative Tech Startup Cities With Less Traffic, More Housing*”



Voted #10 on the 2014 “*Top 100 Best Places to Live*” list



Voted one of the “*Top 10 Emerging Ski Towns*”



Named one of the “*Best Cities for Mid-Career Professionals*” by author Richard Florida



The University of Nevada, Reno was ranked in the top tier of “*Best National Universities*”



The Advancement of Teaching classified the University of Nevada, Reno as a “*Comprehensive, Doctoral-Granting University with High-Research Activity*”



Featured Reno as having one of “*America’s Coolest Riverwalks*”



CITY OF RENO

CONTACTS

FREQUENTLY CALLED NUMBERS

**General Information
(Reno Direct)**
(775) 334-4636 (INFO)

Street Light Maintenance
(775) 834-4444

Abandoned Vehicles
(775) 334-4636

Affordable Housing
(775) 334-4228

Animal Services
(775) 353-8900

Business Licensing
(775) 334-2090

Code Enforcement
(775) 334-4636

Media Relations
(775) 785-5855

Graffiti Abatement
(775) 334-4636

Historic Preservation
(775) 747-4478

Jobs
(775) 334-2285

Neighborhood Services
(775) 334-4636

Park Reservations
(775) 334-3888

Parking Tickets
(775) 334-2279

Public Records
(775) 334-2030

Recreation Services
(775) 334-2262

Special Events
(775) 326-6697

Tree Maintenance
(775) 334-4636

Email Alerts
Reno.gov/RenoConnect

City of Reno Online
Reno.gov
AroundtheArch.com (blog)

City of Reno Social Media
Reno.gov/Social


{Credits: The photo on p.7 is by Michael Lindberg, the photo on p.15 is by Sharlea Taft, and the photo below is by Lee Pfalmer. The infographic on the back cover is by EDAWN, Abbi Agency, and the #BiggestLittleCity group.}



300+
sunny days a year

Reno was named one of the **best cities for mid-career professionals**
Richard Florida, Creative Class

Tier 1

UNR's Schools of Medicine, Engineering & Business are ranked among the world's best
US News & World Report

18,000

students at the University of Nevada, Reno

The Desert Research Institute is an internationally acclaimed research institution

The University of Nevada, Reno

2
hours to Black Rock City

68,000

annual Burning Man attendees from all over the world

#1 Most populous & highest startup-density for the MSA class size
The Kaufman Foundation

Startup <FOW>

300,000

People who attended Artown, the month-long festival each July

18.6
minutes
average commute
7 minutes faster than the national average

TRUCKEE RIVER

world-class fly-fishing

500+
art events during Artown

MIDTOWN

RENO

THE BIGGEST LITTLE CITY IN THE WORLD

#10
Named Best Place to Live by liveability.com

1 of 6
locations approved for drone testing

KEEP TAHOE BLUE.

8
world-class ski resorts

2ND
deepest lake in the US

70
feet of water clarity

72
miles of shoreline

7-8
flights per day to the Bay Area

53

daily departures to 15 direct destinations

RENO/TAHOE INTERNATIONAL

5.8%

The cost of living is 5.8% lower than the national average

Year-round sports:
hiking, biking, kayaking

LAKE TAHOE 35 Miles
SAN FRANCISCO 218 Miles
LAS VEGAS 448 Miles
SALT LAKE CITY 520 Miles

20%
of the country can be reached in 1 day through major shipping carriers

15TH
Washoe County's rank for college readiness in all subjects

NO
personal income tax
corporate income tax
franchise tax
inventory tax