



WASHOE COUNTY

Integrity Communication Service
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STAFF REPORT

BOARD MEETING DATE: JUNE 28, 2022

DATE: Thursday, June 23, 2022

TO: Board of County Commissioners

FROM: Kate Thomas, Assistant County Manager
(775) 328-2008, kathomas@washoecounty.gov

THROUGH: Eric P. Brown, County Manager

SUBJECT: Recommendation to approve the 2nd Amended Lease Agreement between Washoe County and the Housing Authority of the City of Reno, for the County to occupy the property located at 1775 East 4th Street, Reno, Nevada, 89512, for an extended term *no later than August 30, 2022*, and ending upon purchase of property by Washoe County. The 2nd Amended Lease Agreement allows Washoe County to provide Nevada Cares Campus additional space and electrical and utility access for overflow shelter for individuals experiencing homelessness, parking, temporary office space and construction staging; (2) if approved, authorize County Manager Eric Brown to execute the lease and authorize the County Manager Eric Brown to execute all necessary agreements, warrants and checks for the effectuation of the same; (3) approve the use of Fund 223-4 (Cost Center 223410) in the amount of \$1.00 needed to support the Fiscal Year 2022 lease cost. This extension is sought pending the sale of the property by Washoe County. (All Commission Districts.) **FOR POSSIBLE ACTION**

SUMMARY

Recommendation to approve the 2nd Amended Lease Agreement between Washoe County and the Housing Authority of the City of Reno, for the County to occupy the property located at 1775 East 4th Street, Reno, Nevada, 89512, for an extended term no later than August 30, 2022, and ending upon purchase of property by Washoe County.

Washoe County Strategic Objective supported by this item: Vulnerable Populations: Address homelessness with a regional approach and coordination between agencies & communication of programs.

AGENDA ITEM # _____

PREVIOUS ACTION

On January 11, 2022, the Board approved an agreement for the lease terms between Washoe County and the Housing Authority of the City of Reno, for the County to occupy 2.012 acres within the property located at 1775 East 4th Street, Reno, Nevada, 89512, for a six-month term (December 8, 2021- June 7, 2022) to provide Nevada Cares Campus temporary overflow shelter capacity for people experiencing homelessness and construction staging space. On April 26, 2022, the Board amended the lease and extended the lease agreement through June 30, 2022.

The purchase of the property and lease agreement are part of a long-term plan for Washoe County to serve its vulnerable homeless populations. On August 30, 2021, in a joint meeting between Washoe County, City of Reno and City of Sparks, the three jurisdictions approved Amendment #2 as an extension of the Interlocal Cooperative Agreement for Shelter Operation and Other Homeless Services among the City of Reno, City of Sparks and Washoe County. This amendment transferred the administrative and financial responsibility for the operation of homeless shelters in Washoe County over the term of the amendment which concludes on June 30, 2022 and outlines a cost sharing structure among the entities for the estimated overall costs for both operating [\$15,630,777] and capital expenditures [\$38,231,250].

BACKGROUND

During the January 13, 2021, special meeting, homelessness was identified as an issue of priority for the Washoe County Strategic Plan and the Board of County Commissioners expressed an interest in one entity being the lead of homelessness within the region. Washoe County has since stepped up to take this lead role in 2021, including developing a Housing and Homeless Services Division, opening a Safe Camp, taking over operations of the Nevada Cares Campus on September 1, 2021, and becoming the lead of the local HUD mandated Continuum of Care (CoC).

To fulfill Washoe County's role as operator of the Nevada Cares Campus, the County needed to secure the lease on a nearby location to provide emergency overflow capacity for overnight shelter during cold weather. This is a necessary step to provide adequate access to shelter for some of the County's most vulnerable residents experiencing homelessness.

The original lease agreement provided the County with a 2.012-acre facility for emergency overflow shelter and construction staging. The lease commenced on December 8, 2021.

County Manager Eric Brown signed the lease for the County on an emergency basis on December 8, 2021, to make the overflow capacity available in advance of snow and temperatures in the teens and twenties overnight in the area that were forecasted to start on December 9, 2021. The Board ratified the Manager's prior approval during the next scheduled board meeting on January 11, 2022. The Lease was later extended until June 30, 2022.

Washoe County is purchasing this property and plans to construct a 50-unit, supportive housing project on the eastern side of the RHA parcel as well as utilize the existing long structure on the southern side of the parcel for overflow shelter and a resource center.

Construction is set to begin in July 2022 and this lease modification would allow access to the electricity supply located at the main structure on the RHA property immediately while the sale is in process.

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FISCAL IMPACT

Should the Board approve the lease terms, the \$1.00 lease cost will be expensed to Fund 223-4 (Cost Center 223410).

RECOMMENDATION

Recommendation to approve the 2nd Amended Lease Agreement between Washoe County and the Housing Authority of the City of Reno, for the County to occupy the property located at 1775 East 4th Street, Reno, Nevada, 89512, for an extended term *no later than August 30, 2022*, and ending upon purchase of property by Washoe County. The 2nd Amended Lease Agreement allows Washoe County to provide Nevada Cares Campus additional space and electrical and utility access for overflow shelter for individuals experiencing homelessness, parking, temporary office space and construction staging; (2) if approved, authorize County Manager Eric Brown to execute the lease and authorize the County Manager Eric Brown to execute all necessary agreements, warrants and checks for the effectuation of the same; (3) approve the use of Fund 223-4 (Cost Center 223410) in the amount of \$1.00 needed to support the Fiscal Year 2022 lease cost. This extension is sought pending the sale of the property by Washoe County.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be: *“Move to approve the 2nd Amended Lease Agreement between Washoe County and the Housing Authority of the City of Reno, for the County to occupy the property located at 1775 East 4th Street, Reno, Nevada, 89512, for an extended term no later than August 30, 2022, and ending upon purchase of property by Washoe County. The 2nd Amended Lease Agreement allows Washoe County to provide Nevada Cares Campus additional space and electrical and utility access for overflow shelter for individuals experiencing homelessness, parking, temporary office space and construction staging; (2) if approved, authorize County Manager Eric Brown to execute the lease and authorize the County Manager Eric Brown to execute all necessary agreements, warrants and checks for the effectuation of the same; (3) approve the use of Fund 223-4 (Cost Center 223410) in the amount of \$1.00 needed to support the Fiscal Year 2022 lease cost. This extension is sought pending the sale of the property by Washoe County.”*