



WASHOE COUNTY

Integrity Communication Service

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STAFF REPORT

BOARD MEETING DATE: November 28, 2023

DATE: Tuesday, November 21, 2023

TO: Board of County Commissioners

FROM: Kate Thomas, Assistant County Manager
kathomas@washoecounty.gov

THROUGH: Eric Brown, County Manager

SUBJECT: Recommendation to approve the acceptance of a grant from the William N. Pennington Foundation for the purpose of supporting construction of the Nevada Cares Campus Resource Center, APN 008-211-5, in the amount of [\$3,000,000.00, no match] retroactive to June 1, 2023 through July 31, 2024; authorize the County Manager to retroactively execute the grant award documents; and direct the Comptroller's Office to make the necessary budget amendments. (All Commission Districts).

SUMMARY

Recommendation to approve a grant award [\$3,000,000, no match required] retroactive to June 1, 2023 through July 31, 2024 from the William N. Pennington Foundation to Washoe County for the purpose of providing construction costs for the Nevada Cares Campus Resource Center.

Washoe County Strategic Objective supported by this item: Vulnerable Populations

PREVIOUS ACTION

On November 14, 2023, the Board of County Commissioners authorized the Guaranteed Maximum Price #3 Agreement (GMP #3) for the NV Cares Campus Phase 4 Supportive Housing Project – GMP #3 with Clark/Sullivan Constructors, Inc., doing business as Clark Sullivan Construction, the project Construction-Manager-At-Risk (CMAR), [in the amount not to exceed \$20,332,773.00].

On August 22, 2023, the Board of County Commission (Board) accepted Home Means Nevada Initiative Funds awarded by the State of Nevada Department of Business & Industry Housing Division for Supportive Housing at the Nevada Cares Campus in the amount of [\$21,900,000.00].

On April 11, 2023, the Board approved a construction agreement with Clark/Sullivan Constructors, Inc., doing business as Clark Sullivan Construction, the project

AGENDA ITEM # _____

Construction-Manager-At-Risk (CMAR), for GMP 2 the NV Cares Campus Phase 3 Intake Center Project (Intake Center Project) in the amount of [\$28,274,566.00].

On March 28, 2023, the Board of County Commission (Board) motion ended in a two-to-two vote for item 10. (Hill and Garcia in support - Clark and Herman opposed).

On December 20, 2022 the Board approved a Letter of Invitation for the Community Project Funding/Congressional Directed Spending stating that in the Consolidated Appropriations Act, 2022 (P.L. 117-103) the United States Congress has made available a grant to Washoe County for the regional homes shelter (Nevada Cares Campus) in the amount of [\$12,000,000.00; no county match] administered through the U.S. Department of Housing and Urban Development, and authorized the County Manager or his Designee to: 1) designate a county representative for the grant process, 2) direct preparation of a project narrative, 3) direct preparation of a line item budget for the project and 4) complete other required federal forms.

On December 20, 2022, the Board accepted a Nevada Cares Campus Charitable Fund Grant from the Community Foundation of Northern Nevada to support Nevada Cares Campus Capital Improvement Project in the amount of [\$1,669,180.00, no match].

On December 20, 2022, the Board approved allocations of American Rescue Plan Act (ARPA) funds through the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) and approved an amended allocation for Project #2, Washoe County Cares Campus Capital in a total amount of \$24,618,706, an award increase of \$3,150,000 over the \$21,468,706 approved by the Board on December 14, 2021, to be used for a portion of the funding for Phase III of the Cares campus expansion.

On July 12, 2022, the Board approved the purchase of property located at 1775 East 4th Street, Reno, Nevada from Reno Housing Authority in an amount not to exceed the appraised value of \$5,500,000 to be used to provide shelter and related services for people experiencing homelessness. The terms included a Purchase and Sale Agreement for the acquisition by Washoe County of 4.747-acre property located at 1775 East 4th Street, Reno, Nevada, 89512 (APN 008-211-50) in an amount of \$5,150,000.00 plus closing costs not to exceed \$12,000; a Resolution approving Subgrant by Washoe County in an amount of \$350,000 from American Recovery Plan Act Funds to Reno Housing Authority be used for affordable housing and authorize Manager to execute documents in support thereof; approval of a Second Amended Lease with Reno Housing Authority for 1775 East 4th Street, Reno, Nevada for a term to expire upon closing of the Purchase and Sale Agreement and in an amount of [\$40,000] per month with payments to be credited towards the purchase of the property and authorized the Manager to execute documents in support thereof and a Contract between Washoe County and Reno Housing Authority for contribution from Reno Housing Authority in an amount up to [\$250,000] to assist with remediation and/or cleanup costs for any contamination discovered on the property.

On May 10, 2022, the Board approved a construction agreement with Clark/Sullivan Constructors, Inc., doing business as Clark Sullivan Construction, the project Construction-Manager-At-Risk (CMAR), for GMP 1 the NV Cares Campus Phase 2 Project in the amount of [\$12,148,912.00].

On May 10, 2022, the Board approved a Professional Consulting Services Agreement between Washoe County and Van Woert Bigotti Architects for the Nevada Cares Campus

Improvements Phase 2, 3 and 4 design development to include architecture and interior design, civil engineering, mechanical engineering, electrical engineering, structural engineering and kitchen design, construction documents, conditional use permit support, permitting support, bidding support and construction administration in the amount of \$4,203,439.00.

On October 6, 2021, through a competitive CMAR request for qualifications (RFQ) process, Clark Sullivan Construction was selected for the CMAR Pre-Construction Services contract.

On December 14, 2021, the Board approved allocation of American Rescue Plan Act funds through the Coronavirus State Fiscal Recovery Fund and Coronavirus Local Fiscal Recovery Fund in a total amount of \$40,201,764.00, and directed the Comptroller's Office to make the necessary net zero cross-fund and cross-functional budget appropriation transfers, and authorize Human Resources, per Job Evaluation Committee (JEC) evaluation as applicable, to create necessary positions for 23 proposed projects identified in the supporting staff report, which included \$21,468,706 for the Washoe County Cares Campus Capital, (\$4,000,000 was previously approved by Board on July 20, 2021).

On July 20, 2021, the Board accepted Coronavirus State and Local Fiscal Recovery Funds allocation from the United States Department of the Treasury in the amount of [\$91,587,038; no county match], authorized the County Manager to sign award documents and direct the Comptroller's Office to make the necessary budget amendments.

On November 18, 2020, at a joint meeting with the City of Reno Council and the City of Sparks Council, the Board voted to acquire and cost share three parcels on East 4th Street for the purpose of expanding shelter capacity in the region to assist people experiencing homelessness.

BACKGROUND

The William N. Pennington Foundation was founded in 1989 with a focus on supporting education, community services, health care, and medical research primarily in the State of Nevada, with an emphasis on Reno and Northern Nevada. The Foundation supports organizations that help people and families persevere through difficult times and is known for providing funding to support clothing and educational needs for disadvantaged citizens.

The County Manager's Office received the notice of award for this grant agreement on October 30, 2023 with a retroactive effective date of June 1, 2023, therefore, the request to accept this grant agreement is retroactive.

The Resource Center will be of benefit to individuals experiencing housing instability and who would otherwise be homeless without finding access to services. Housing instability stems from a variety of challenges, such as job loss; overcrowding in apartments or weekly motels; moving frequently; and spending an outsized amount of household income on housing, childcare, or medical care. In Nevada, 21% (or 101,000 people) of people who are renting are extremely low income (making less than \$26,500

annually for a 4-person household)2. In the face of inflation and the pressing issue of affordable housing, the Resource Center can serve as a lifeline to individuals and families who are at-risk of being homeless, as it will centralize resources and services available in our community.

According to the Point in Time count, an annual in-person count of the number of people experiencing homelessness or are underhoused in Washoe County, as of January 2023:

- 2,132 people were considered “underhoused” using weekly motels which includes 714 seniors and 43 families.
- 1,361 were using emergency or transitional housing shelters.
- 329 people were living unsheltered on the street, along the river or in parks.

For the 2,132 people who are considered underhoused and who lack adequate, fixed housing, along with the many more who are housing insecure and just one illness, a job loss, or life event away from losing their home, the Resource Center will primarily serve them to identify permanent housing when a housing crisis emerges. Additionally, the Resource Center will benefit people who are currently experiencing homelessness and actively trying to find stability. The Resource Center will be an initial entry point for homeless individuals hesitant to enter the Nevada Cares Campus directly. People experiencing homelessness will be welcome to shower and wash their clothes, access a mailbox, and witness the benefit of on-site case management.

GRANT AWARD SUMMARY

Project/Program Name: Pennington Foundation – Resource Center/Nevada Cares Campus

Scope of the Project: Funding has been provided for construction costs for the Nevada Cares Campus Resource Center

Benefit to Washoe County Residents: This funding will provide significant support to the Cares Campus Resource Center, which will provide shelter diversion services to those who, without critical and immediate support, would become homeless.

On-Going Program Support: This funding is for construction. Ongoing support for the services will be provided through various funding sources including potential grants.

Award Amount: \$3,000,000.00 (**\$3,000,000.00 direct; \$0 indirect**)

Grant Period: June 1, 2023 – July 31, 2024

Funding Source: William N. Pennington Foundation

Pass Through Entity: N/A

CFDA Number: N/A

Grant ID Number: N/A

Match Amount and Type: No match required.

Sub-Awards and Contracts: N/A

FISCAL IMPACT

Should the board accept the Grant Agreement and approve these amendments, the FY24 Capital Improvements Fund (402) adopted budget will be increased by \$3,000,000.00 in revenues, expenditures, and intrafund transfers in the following accounts:

Cost Object & Description	G/L Account & Description	Amount
IO 29048 – Pennington Foundation Cares Campus	484195-Non-Govt'l Grants	\$3,000,000.00
IO 29048 – Pennington Foundation Cares Campus	818000-Intrafund Transfer	\$3,000,000.00
PW920725 – Nevada Cares Campus – Welfare	781080-Construction Contracts	\$3,000,000.00
PW920725 – Nevada Cares Campus – Welfare	818000-Intrafund Transfer	(\$3,000,000.00)

RECOMMENDATION

Recommendation to approve the acceptance of a grant from the William N. Pennington Foundation for the purpose of supporting construction of the Nevada Cares Campus Resource Center, APN 008-211-5, in the amount of [\$3,000,000.00, no match] retroactive to June 1, 2023 through July 31, 2024; authorize the County Manager to retroactively execute the grant award documents; and direct the Comptroller's Office to make the necessary budget amendments.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be: *"Move to approve the acceptance of a grant from the William N. Pennington Foundation for the purpose of supporting construction of the Nevada Cares Campus Resource Center, APN 008-211-5, in the amount of [\$3,000,000.00, no match] retroactive to June 1, 2023 through July 31, 2024; authorize the County Manager to retroactively execute the grant award documents; and direct the Comptroller's Office to make the necessary budget amendments."*