



# WASHOE COUNTY

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## STAFF REPORT

BOARD MEETING DATE: *May 28, 2024*

**DATE:** Wednesday, May 22, 2024

**TO:** Board of County Commissioners

**FROM:** Dana Searcy, Division Director, Human Services Agency  
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**THROUGH:** Kate Thomas, Assistant County Manager

**SUBJECT:** Recommendation to award American Covenant Housing Foundation Inc. for the Sutro Senior Sanctuary Supportive Housing project consisting of two buildings at 696 Sutro Avenue and 839 Sutro Avenue and 838 Quincy Street in the amount of \$1,000,000 and Accessible Space, Inc. (ASI) \$750,000 for the Line Drive Apartments Supportive Housing project at 1775 E 4th Street and authorize funds to be distributed from the Affordable Housing Trust Fund; and if approved, authorize the Purchasing and Contracts Manager to execute the required contracts. (All Commission Districts).

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### SUMMARY

Pursuant to the administration by the Housing and Homeless Division of the Request for Proposal (RFP) 3243-24 Affordable Housing Trust Fund, as authorized by Ordinance 1694 adopted on November 4, 2022, two projects namely, Sutro Senior Sanctuary Supportive Housing and Line Drive Supportive Housing are recommended for final funding approval.

Pursuant to NRS 244.1505, the Board of County Commissioners may expend money for any purpose which will provide a substantial benefit to the inhabitants of the County and that board. The contracts recommended for approval with American Covenant Housing Foundation, Inc. and Accessible Space, Inc. are valued at \$1,000,000 and \$750,000 respectively; thus, Board approval is requested.

**Washoe County Strategic Objective supported by this item:** Vulnerable Populations; Expand Appropriate Housing Options Across Community

### PREVIOUS ACTION

On April 3, 2024, negotiations with ASI and American Covenant Housing Foundation concluded resulting in recommendation for final funding approval to the Board.

AGENDA ITEM # \_\_\_\_\_

On February 23, 2024, after review and scoring by an evaluation committee, a Notice of Recommendation and Intent to Award identified two responsive and responsible bidders, Accessible Space, Inc. (ASI) and American Covenant Housing Foundation, Inc.

On December 7, 2023, the Housing and Homeless Division released RFP 3243-24 Affordable Housing Trust Fund, seeking applications for permanent supportive housing projects that would meet the needs and preferences of people experiencing chronic homelessness with a due date of February 2, 2024.

On October 25, 2022, the second public hearing and adoption of ordinance 1694 was approved.

On October 11, 2022, the Board of County Commissioners was introduced to the first reading of an ordinance amending Washoe County Code Chapter 45 (Public Welfare) by adding a section defining “low-income households”, “very low-income households”, “extremely low-income households”, and “permanent supportive housing”; and by amending provisions related to: the establishment and purpose of the Washoe County Affordable Housing Trust Fund (“the Fund”); the administration of the Fund, which is to be administered by the Housing and Homeless Services Division of Washoe County rather than a non-profit contractor; the use of a fiscal agent to collect, hold, manage and disburse Fund assets; the potential funding sources and availability of monies in the Fund; the use and disbursement of monies in the Fund; the location of units/projects to be assisted with Fund monies; and requirements for the annual evaluation; and all matters necessarily connected therewith and pertaining thereto.

On August 16, 2022, the Board of County Commissioners authorized the initiation of amendments to Washoe County Code Chapter 45 (Public Welfare) to amend sections related to the Washoe County Affordable Housing Trust Fund and directed the County Clerk to submit the request to the District Attorney’s Office for the preparation of a proposed ordinance in accordance with WCC 2.040.

On May 25, 2021, the Board of County Commissioners approved a fund agreement with the Community Foundation of Northern Nevada to establish a non-endowed field-of-interest fund to enable acceptance of assets for the Washoe County Affordable Housing Trust Fund.

On March 26, 2019, the Board adopted Ordinance Number 1632, which established the Washoe County Affordable Housing Trust Fund and provided that the fund will receive monies from various sources to be used to increase and improve the supply of housing projects affordable to households of low income in a manner consistent with the provisions of the Ordinance. The Ordinance also provides that the Board will approve an allocation plan for the use and disbursement of monies in the Fund and which will identify a non-profit contractor as the administrator of the Fund.

On February 26, 2019, the Board introduced and conducted a first reading of an ordinance establishing the Washoe County Affordable Housing Trust Fund and set the second reading and public hearing date for March 26, 2019.

On November 27, 2018, the Board gave direction on elements to be included in an ordinance establishing the Washoe County Affordable Housing Trust Fund.

### **BACKGROUND**

In 2018, the County was approached by a local advocacy group interested in enhancing housing resources in the region. Following a series of policy discussions, the Board set forth the elements of an ordinance and established the Washoe County Affordable Housing Trust Fund (AHTF). Since that date, adjustments were made and the AHFT evolved as a new and significant tool to finance affordable housing for extremely low-income households in need of *Permanent Supportive Housing*. The Affordable Housing Trust Fund supports the development and/or on-site supportive services costs related to the creation of permanent supportive housing projects. According to the TMRSHA (Truckee Meadows Regional Strategy for Housing Affordability) for every 100 households in unincorporated Washoe County there are only 31 available units for households earning less than 30% AMI (extremely low income). The two recommended projects will create 220 new supportive housing units. Sutro Senior Sanctuary with 170 total units; a projected state date of August 2024 and completion no later than February 2026. Line Drive Apartments with 51 units (one for on-site staff), and a projected start date of July 2024 with completion no later than June 30, 2026.

### **FISCAL IMPACT**

The Affordable Housing Trust Fund held by the Community Foundation of Northern Nevada, has a current balance of \$2,000,000.

Washoe County receives quarterly statements from the Community Foundation of Northern Nevada on the balance of funds.

Reimbursement based drawdowns from the grant amount will be processed and vetted through the agreement with CFNN.

### **RECOMMENDATION**

Recommendation to award American Covenant Housing Foundation Inc. for the Sutro Senior Sanctuary Supportive Housing project consisting of two buildings at 696 Sutro Avenue and 839 Sutro Avenue and 838 Quincy Street in the amount of [\$1,000,000] and Accessible Space, Inc. (ASI) in the amount [\$750,000] for the Line Drive Apartments Supportive Housing project at 1775 E 4th Street and authorize funds to be distributed from the Affordable Housing Trust Fund; and if approved, authorize the Purchasing and Contracts Manager to execute the required award documents.

### **POSSIBLE MOTION**

Should the Borad agree with staff's recommendation, a possible motion would be:

*“Move to award American Covenant Housing Foundation Inc. for the Sutro Senior Sanctuary Supportive Housing project consisting of two buildings at 696 Sutro Avenue and 839 Sutro Avenue and 838 Quincy Street in the amount of [\$1,000,000] and Accessible Space, Inc. (ASI) in the amount of [\$750,000] for the Line Drive Apartments Supportive Housing project at 1775 E 4<sup>th</sup> Street and authorize funds to be distributed*

*from the Affordable Housing Trust Fund; and if approved, authorize the Purchasing and Contracts Manager to execute the required award documents.”*