



# WASHOE COUNTY

Integrity Communication Service

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## STAFF REPORT

BOARD MEETING DATE: June 17, 2025

**DATE:** Tuesday, May 12, 2025

**TO:** Board of County Commissioners

**FROM:** Ryan Gustafson, Director, Human Services Agency  
(775) 785-8600, [RGustafson@washoecounty.gov](mailto:RGustafson@washoecounty.gov)

**THROUGH:** Kate Thomas, Assistant County Manager

**SUBJECT:** Recommendation to:

- (1) Accept a Supportive Housing Development Fund award from the State of Nevada Housing Division in the amount of [\$5,595,378.00; \$3,857,360.68 in-kind match] for the period of June 17, 2025 through June 30, 2031 to provide clinical services, support services, operations, training and administration activities at the Nevada Cares Campus, Permanent Supportive Housing building; authorize the Director of the Human Services Agency to execute grant award documents; and direct Finance to make the necessary budget amendments;
- (2) Approve reclassification of Eligibility Certification Specialist (ECS) II position (70000972), pay grade 12, to Mental Health Counselor Supervisor, pay grade 17 [\$64,563.00] and reclassification of Eligibility Certification Specialist (ECS) II position (70000971), pay grade 12, to Mental Health Counselor II, pay grade 16 [\$43,952.00] contingent and effective upon Job Evaluation Committee (JEC) review and approval. Both positions will be funded 50% on the Supportive Housing Development Grant and 50% in a Homelessness fund cost center. All reclassification costs will be absorbed in this grant award. As this grant funds positions, if grant funding is reduced or eliminated, the position hours will be reduced and/or the positions will be abolished accordingly unless additional funding is secured; direct Finance to make the necessary budget amendments; and direct the Human Resources Department to make the necessary staffing adjustments as evaluated by the JEC; and
- (3) Approve Amendment #5 to the contract currently awarded to Volunteers of America, Greater Sacramento and Northern Nevada (VOA) for Operator of the Emergency Shelter on the Nevada Cares Campus, authorizing an increase in the amount of [\$248,538.00] to support of the retention and recruitment of shelter staff and additional staffing and operations needs to operate the Nevada Cares Campus and an increase of [\$238,169.00] to add the 24/7 VOA staff coverage for the Cares Campus Permanent Supportive Housing building to provide oversight and support of the tenants within the

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

common spaces and individual tenant units for a total not to exceed [\$7,588,852.00] the term of July 1, 2025 through June 30, 2026.

(All Commission Districts.) FOR POSSIBLE ACTION

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### **SUMMARY**

This staff report combines three interconnected items related to Permanent Supportive Housing services in Washoe County:

- (1) Accept a Supportive Housing Development Fund award from the State of Nevada Housing Division in the amount of [\$5,595,378.00; \$3,857,360.68 in-kind match] for the period of June 17, 2025 through June 30, 2031 to provide clinical services, support services, operations, training and administration activities at the Nevada Cares Campus, Permanent Supportive Housing building; authorize the Director of the Human Services Agency to execute grant award documents; and direct Finance to make the necessary budget amendments;
- (2) Approve reclassification of Eligibility Certification Specialist (ECS) II position (70000972), pay grade 12, to Mental Health Counselor Supervisor, pay grade 17 [\$64,563.00] and reclassification of Eligibility Certification Specialist (ECS) II position (70000971), pay grade 12, to Mental Health Counselor II, pay grade 16 [\$43,952.00] contingent and effective upon Job Evaluation Committee (JEC) review and approval. Both positions will be funded 50% on the Supportive Housing Development Grant and 50% in a Homelessness fund cost center. All reclassification costs will be absorbed in this grant award. As this grant funds positions, if grant funding is reduced or eliminated, the position hours will be reduced and/or the positions will be abolished accordingly unless additional funding is secured; direct Finance to make the necessary budget amendments; and direct the Human Resources Department to make the necessary staffing adjustments as evaluated by the JEC; and
- (3) Approve Amendment #5 to the contract currently awarded to Volunteers of America, Greater Sacramento and Northern Nevada (VOA) for Operator of the Emergency Shelter on the Nevada Cares Campus, authorizing an increase in the amount of [\$248,538.00] to support of the retention and recruitment of shelter staff and additional staffing and operations needs to operate the Nevada Cares Campus and an increase of [\$238,169.00] to add the 24/7 VOA staff coverage for the Cares Campus Permanent Supportive Housing building to provide oversight and support of the tenants within the common spaces and individual tenant units for a total not to exceed [\$7,588,852.00] the term of July 1, 2025 through June 30, 2026.

**Washoe County Strategic Objective supported by this item:** Vulnerable Populations

### **PREVIOUS ACTION**

On May 28, 2024, the Board approved amendments authorizing an increase in contract value to three agreements related to housing and homeless, including Amendment #4 to the contract awarded to Volunteers of America, Greater Sacramento and Northern

Nevada (VOA) for Operator of the Emergency Shelter on the Nevada Cares Campus, authorizing an increase in the amount of [\$569,112.30] for a total not to exceed [\$7,102,109.00] for the term of July 1, 2024 through June 30, 2025 in support of the retention and recruitment of shelter staff and additional staffing and operations needs to operate the Nevada Cares Campus.

On August 22, 2023, the Board approved item 17 the Department's request to accept the Home Means Nevada Initiative Funds grant from the State of Nevada Department of Business & Industry Housing Division to be used for the construction of a 50-unit project providing Supportive Housing on the Nevada Cares Campus; in the amount of [\$21,900,000.00, no county match] with funds required to be obligated by December 31, 2024, and expended by December 31, 2026.

On April 11, 2023, the Board approved Clark/Sullivan Constructors Inc., doing business as, Clark Sullivan Construction as the Construction Manager-At-Risk (CMAR) and approved Guaranteed maximum Price (GMP) Agreement 2 for Phase 3 to construct an Intake Center to provide diversion services, a security check point, nurses station, case management/counseling/staff offices, break room, warming kitchen, indoor and outdoor dining facilities, and security offices, remodel of existing storage building to include a Resource Center with capacity for overflow sleeping provisions including restrooms, shower and laundry facilities, storage and facilities management space, fencing, additional work will include site work, landscaping, fencing, roadway and parking lots, and utilities infrastructure for the NV Cares Phase 3 Project, located at 1800 Threlkel Street [in the amount of \$28,274,566.00] and commencing on April 12, 2023.

On December 20, 2022, the Board approved the acceptance of 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] retroactively effective November 23, 2022-June 30, 2024.

On May 10, 2022, the Board approved Clark/Sullivan Constructors Inc., doing business as, Clark Sullivan Construction as the Construction Manager-At-Risk (CMAR) and approved Guaranteed Maximum Price (GMP) Agreement 1 for Phase 2 to construct restroom, shower & laundry facilities, concrete floor sealing in the sprung structure and provide and install personal living cubicles for the NV Cares Improvement Project, located at 1800 Threlkel Street [in the amount of \$12,148,912] and commencing May 10, 2022.

On May 17, 2022, the Professional Services Agreement for Nevada Cares Campus Operations was approved by the Washoe County Board of County Commissioners beginning July 1, 2022, through June 30, 2024 with the option to renew for three (3) one-year periods thereafter up to \$6,500,000 annually.

On May 10, 2022, the Board approved amended allocations of American Rescue Plan Act (ARPA) funds through the Coronavirus State Recovery Fund and Coronavirus Local Fiscal Recover Fund (SLFRF) for the Safe Camp Capital Project, Our Place Enhancements project, and the Our Place Community Garden Fencing project.

On December 14, 2021, the Board approved allocation of American Rescue Plan Act funds through the Coronavirus Local Fiscal Recovery Fund in a total amount of \$40,201,764.00, to support 23 projects, including funding for the Cares Campus – Washoe County Cares Campus Capital.

At a concurrent meeting held August 30, 2021, Amendment No. 2, and Extension of Interlocal Cooperative Agreement for Shelter Operation and Other Homeless Services Among the City of Reno, Washoe County and the City of Sparks was approved revising the roles and responsibilities of the entities, including transferring the administrative and financial responsibility for the operation of homeless shelters from City of Reno to Washoe County.

On December 14, 2021, the Board approved allocation of American Rescue Plan Act funds through the Coronavirus Local Fiscal Recovery Fund in a total amount of \$40,201,764.00, to support 23 projects, including funding for the Cares Campus – Washoe County Cares Campus Capital.

On January 13, 2021, direction was provided by the Board to include pursuing an expanded role in addressing the regional issue of homelessness in the Strategic Plan.

On November 18, 2020, the parties entered into an Interlocal Cooperative Agreement for Shelter Operation and Other Homeless Services Among the City of Reno, Washoe County and the City of Sparks which established duties, roles and responsibilities of the parties in regard to the provision of services to the homeless in the Cities and County, including Washoe County Commission Meeting of August 22, 2023 agreeing 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**

As part of the American Rescue Plan Act of 2021, the US Department of the Treasury allocated \$350 Billion in Coronavirus State and Local Fiscal Recovery Funds (SLFRF) directly to States, U.S. Territories, local governments, and Indian tribes to support their response to and recovery from the COVID-19 public health emergency. The State of Nevada received \$2,738,837,228.70 and committed \$500,000,000.00 of this allocation to addressing affordable housing needs through the Home Means Nevada Initiative administered by the Nevada Housing Division.

As part of its ongoing commitment to expand and improve homeless services in the region, including at the Nevada Cares Campus, Washoe County was awarded a Home Means Nevada Initiative grant to build an affordable 50-unit supportive housing building in the community. Supportive housing combines affordable housing with services for homeless households who face complex medical, mental health and/or substance use issues that are co-occurring. Supportive housing is an innovative and cost-effective approach to addressing chronic homelessness. The 50-unit project was completed in April of 2025.

*(1) Supportive Housing Development Fund Award:* The Supportive Housing Development Fund grant provides funding for operations and services for the Supportive Housing building at the Nevada Cares Campus. Clinical services will be provided for the tenants at the Supportive Housing Building. The tenants will be high system utilizers who have high costs to the community due to being unhoused. This grant award will fund up to 65-beds within the Permanent Supportive Housing program and will utilize the Assertive Community Treatment (ACT) team model. This award has funding budgeted to contract for the staffing needed to ensure that caseloads will be less than the recommended 1:10 ratio to ensure clients can receive the intensive support and services that are the hallmark of an ACT-adherent program. True to the ACT model, staff will be assigned to provide services 7 days a week and there will be after-hours coverage to provide support to clients who may be in crisis. As a project-based program, the staff members from our ACT team will be onsite, utilizing the offices in the Permanent Supportive Housing building. Additionally, the Permanent Supportive Housing staff will focus on community integration with our clients, including a focus on improving their functioning in attending their Instrumental Activities of Daily Living. To maximize funding, our plan is to utilize a combination of County and contracted staff positions. In addition to contracting for staffing, this award has funding for a contract with a community agency to supervise the day-to-day operations of the housing program, which includes a 24/7 “resident assistant” on-site. The Human Services Agency has formalized partnerships with community medical providers including Nevada HOPES, WC Health, and CHA that will be leveraged to provide residents with appropriate medical care. Finally, we have an onsite medical provider who can triage medical needs and guide residents to the appropriate level of care in the community.

*(2) Position Reclassification:* A reclassification of two existing positions from two Eligibility Certification Specialist (ECS) II to a Mental Health Counselor Supervisor, with license to practice in area of assignment, and a Mental Health Counselor II, with license to practice in area of assignment. The Mental Health Counselor Supervisor will provide supervision and oversight for the program staff and contractors. The Mental Health Counselor will provide case management and other behavioral health support services. The positions will provide the intensive behavioral health services to a high acuity population based on the Assertive Community Treatment (ACT) model, an evidence-based practice, at the Permanent Supportive Housing building. This model requires a licensed clinician to provide an appropriate array of services in the ACT model including, but not limited to, individual and group psychotherapy, crisis intervention, and additional services in the ACT milieu. The ACT model mission is to support a participants’ independence, rehabilitation, community integration, and treatment adherence with a focus on recovery, and in doing so to prevent homelessness, unnecessary hospitalization and/or rearrests and incarcerations. These clients are at a higher risk of recidivism for becoming and/or maintaining homeless status without these additional services and supports.

*(3) Volunteers of America Contract Amendment:* An amendment to increase \$248,574.00 to support the retention and recruitment of shelter staff and additional staffing and operations needs to operate the Nevada Cares Campus for fiscal year 2026 and to add \$235,622.00 is being requested to added to the Volunteers of America (VOA), Northern California and Nevada contract for Cares Campus operations in order to fund one (1)

VOA staff position for a twenty-four hours a day, seven days a week (a total of 4.2 FTE positions) to staff a front desk position, which will be employees of Volunteers of America. These contracted VOA front desk positions were budgeted in anticipation of the Supportive Housing Development Fund award. With the receipt of this award, WCHSA is able to proceed with contracting with VOA to provide these positions that will add a full-time staff person 24 hours per day, 365 days per year for the Cares Campus Permanent Supportive Housing building. Should the Board approve this agreement there will be no additional impact to the FY26 Human Services Agency, Homelessness Fund (F223) adopted budget as there is \$148,822.00 in general fund authority in cost center 223610 (Permanent Supportive Housing-300 Cares Drive) in General Ledger 710585 (Undesignated budget) and \$86,800.00 in IO 12527 (Supportive Housing Development Fund) in General Ledger 710100 (Professional Services). A portion of this amendment will assist with Washoe County fulfilling the in-kind match for the Supportive Housing Development Fund award.

### **GRANT AWARD SUMMARY**

**Project/Program Name:**      **Supportive Housing Development Fund**

**Scope of the Project:**      Funding to assist with the Permanent Supportive Housing building's operations and supportive services for chronically homeless or at risk of homelessness individuals with an income at or below 30% of the Area Median Income and have a complex and disabling medical or behavioral health need.

**Benefit to Washoe County Residents:** This project helps to address the severe lack of supportive housing available to extremely low-income and chronically homeless households in Washoe County.

**On-Going Program Support:** WCHSA will continue to work with the State of Nevada Housing Division to identify potential ongoing funding as well as seek ongoing support through other funding sources. If funding is reduced or eliminated, WCHSA would seek alternate funding sources or reduce or eliminate this program.

**Award Amount:**      \$5,595,378.00

**Grant Period:**      June 17, 2025 through June 30, 2031

**Funding Source:**      State of Nevada, Business and Industry Department,  
Housing Division

**Pass Through Entity:**      None

**Assistance Listing #/CFDA:** None

**Grant ID Number:**      SHDF-25R1-OS05

**Match Amount and Type:** In-Kind Match of \$3,857,360.68

**Sub-Awards and Contracts:** The Human Services Agency complies with the Washoe County Procurement Policy, Grants Manual and federal grant procurement guidelines as defined by 2 CFR 200 – Uniform Guidance.

### **FISCAL IMPACT**

Should the board accept this grant award, Human Services Agency's Homelessness Fund (223) FY25 adopted budget will be increased by \$5,236,663.00 in both revenues and expenditures in the following accounts:

| <u>Account Number</u>                 | <u>Description</u>        | <u>Amount</u>         |
|---------------------------------------|---------------------------|-----------------------|
| IO 12527                      -432100 | State Grants              | \$5,236,663.00        |
|                                       | <b>Total Revenue</b>      | <b>\$5,236,663.00</b> |
| IO 12527                      -701412 | Salary Adjustment         | \$632,706.00          |
| -705360                               | Benefits Adjustment       | \$601,070.00          |
| -710100                               | Professional Services     | \$3,637,891.00        |
| -710507                               | Network, Data Lines       | \$15,927.00           |
| -710734                               | Residence Assistance      | \$90,929.00           |
| -710509                               | Seminars Meetings         | \$95,642.00           |
| -710500                               | Other Expense             | \$162,498.00          |
|                                       | <b>Total Expenditures</b> | <b>\$5,236,663.00</b> |

This award will be used to maximize funding and to utilize a combination of County employees and contracted staff positions. A property manager will be contracted to accept the tenant applications, perform background checks, accept rental payments, issue eviction notices, and work collaboratively with the case managers with each agency on ensuring the tenant is maintaining the residence. If the award is accepted, the Cares Campus Operations (VOA) contract, through Amendment #5, will be leveraged to supervise the day-to-day operations of the housing program and provide a 24/7 resident assistant on-site to provide support to clients that may be in crisis. (Note: Only approval for the additional funds necessary to support this new set of services is requested from the BCC. As mentioned under Previous Action, this contract was approved by the BCC on May 17, 2022, and an increase to this contract to support additional staffing and operational needs was approved by the BCC on May 28, 2024.)

This Supportive Housing Development Fund award can be used for residence assistance that include, but not limited to: bus passes, copies of birth records, copies of driver's licenses, etc. This award authorized a training budget of \$95,642.00 that can be used for staff development, capacity building, quality supportive housing, and supportive housing standards. This award includes an in-kind match. The expenditures to meet this match requirement will be posted to cost centers 223410 and 223610.

Program income is anticipated during the grant period from grant-supported activities. The County will be using the deduction method for applying program income. Should the board accept this grant award, Human Services Agency's Homelessness Fund (223) FY25 adopted budget will be increased by \$590,634.00 in both revenues and expenditures for the program income in the following accounts:

| <u>Account Number</u> |          | <u>Description</u>        | <u>Amount</u>       |
|-----------------------|----------|---------------------------|---------------------|
| IO 12539              | - 432100 | State Program Income      | \$353,100.00        |
| IO 12539              | - 460507 | Medicaid Admin Claiming   | \$237,534.00        |
|                       |          | <b>Total Revenue</b>      | <b>\$590,634.00</b> |
| IO 12539              | - 710734 | Residence Assistance      | \$590,634.00        |
|                       |          | <b>Total Expenditures</b> | <b>\$590,634.00</b> |

*(2) Position Reclassification*

Should the Board and JEC approve these reclassifications of position numbers 70000972 and 70000971 there will be no additional impact to the FY26 Human Services Agency, Homelessness Fund (F223) adopted budget as all reclassification costs will be absorbed with the grant. Sufficient authority is included in IO-12527.

*(3) Volunteers of America Contract Amendment*

Should the Board approve this agreement there will be no additional impact to the FY26 Human Services Agency, Homelessness Fund (F223) adopted budget as there is \$148,822.00 in general fund authority in cost center 223610 (Permanent Supportive Housing-300 Cares Drive) in General Ledger 710585 (Undesignated budget) and \$86,800.00 in IO 12527 (Supportive Housing Development Fund) in General Ledger 710100 (Professional Services). A portion of this amendment will assist with Washoe County fulfilling the in-kind match for the Supportive Housing Development Fund award.

**RECOMMENDATION**

Recommendation to:

- (1) Accept a Supportive Housing Development Fund award from the State of Nevada Housing Division in the amount of [\$5,595,378.00; \$3,857,360.68 in-kind match] for the period of June 17, 2025 through June 30, 2031 to provide clinical services, support services, operations, training and administration activities at the Nevada Cares Campus, Permanent Supportive Housing building; authorize the Director of the Human Services Agency to execute grant award documents; and direct Finance to make the necessary budget amendments;
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direct the Human Resources Department to make the necessary staffing adjustments as evaluated by the JEC; and

- (3) Approve Amendment #5 to the contract currently awarded to Volunteers of America, Greater Sacramento and Northern Nevada (VOA) for Operator of the Emergency Shelter on the Nevada Cares Campus, authorizing an increase in the amount of [\$248,538.00] to support of the retention and recruitment of shelter staff and additional staffing and operations needs to operate the Nevada Cares Campus and an increase of [\$238,169.00] to add the 24/7 VOA staff coverage for the Cares Campus Permanent Supportive Housing building to provide oversight and support of the tenants within the common spaces and individual tenant units for a total not to exceed [\$7,588,852.00] the term of July 1, 2025 through June 30, 2026.

### **POSSIBLE MOTION**

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

*"Move to:*

- (1) Accept a Supportive Housing Development Fund award from the State of Nevada Housing Division in the amount of [\$5,595,378.00; \$3,857,360.68 in-kind match] for the period of June 17, 2025 through June 30, 2031 to provide clinical services, support services, operations, training and administration activities at the Nevada Cares Campus, Permanent Supportive Housing building; authorize the Director of the Human Services Agency to execute grant award documents; and direct Finance to make the necessary budget amendments;*
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