



# WASHOE COUNTY

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February

## STAFF REPORT

**BOARD MEETING DATE:** August 22, 2023

**DATE:** Thursday, August 17, 2023

**TO:** Board of County Commissioners

**FROM:** Dana Searcy, Division Director, Housing and Homeless Services, Office of the County Manager, (775) 328-2720, [dsearcy@washoecounty.gov](mailto:dsearcy@washoecounty.gov)

**THROUGH:** Kate Thomas, Assistant County Manager  
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**SUBJECT:** Recommendation to approve the acceptance of Home Means Nevada Initiative Funds awarded by the State of Nevada Department of Business & Industry Housing Division in the form of a grant in the amount of [\$21,900,000.00; no county match], to pay the costs of constructing and equipping a 50-unit affordable supportive housing project on a portion of the Nevada Cares Campus, with funds required to be obligated by December 31, 2024, and expended by December 31, 2026; if approved, authorize the County Manager to sign award documents, and direct the Comptroller's Office to make the necessary budget amendments. Manager's Office. (All Commission Districts.) FOR POSSIBLE ACTION

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### SUMMARY

The State of Nevada committed \$500,000,000 of State and Local Fiscal Recovery Funds to address affordable housing needs. The State of Nevada Department of Business & Industry Housing Division administered a competitive application process to award the funds to various community stakeholders. Washoe County submitted an application as part of this process and has been awarded \$21,900,000 to be used for the construction of a 50-unit project providing Supportive Housing on the Nevada Cares Campus. This project represents a significant portion of Phase 4 of the Nevada Cares Campus Development Plan. The funds must be fully obligated by December 31, 2024, and fully expended by December 31, 2026.

Requests to accept grant awards must be approved by the Washoe County Board of County Commissioners, and the board must approve amendments to the adopted fiscal year budget and direct the Comptroller's Office to make the necessary budget amendments.

Washoe County Strategic Objective supported by this item: Vulnerable Populations

### PREVIOUS ACTION

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

On April 11, 2023, the Washoe County Board of Commissioners 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 Washoe County Board of Commissioners 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 Washoe County Board of Commissioners 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 10, 2022, the Board of County Commissioners 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 Washoe County Board of Commissioners 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 January 13, 2021, direction was provided by the BCC 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

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 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 submitted 3 different Home Means Nevada Initiative Applications to build affordable supportive housing projects 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. Ultimately, one of Washoe County’s applications was successful and the County was awarded \$21,900,000 to build 50 units of supportive housing on the Nevada Cares Campus.

**GRANT AWARD SUMMARY**

**Project/Program Name:** Home Means Nevada Initiative (SLFRF)

**Scope of the Project:** Washoe County will construct a 50-unit Supportive Housing project on the Nevada Cares Campus.

**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:** This grant will not be used to support the costs of on-going programs. The on-going operational costs of this housing project will be funded through the Nevada Cares Campus general fund.

**Award Amount:** \$21,900,000.00

**Grant Period:** December 5, 2022 – December 31, 2026

**Funding Source:** U.S Department of the Treasury

**Pass Through Entity:** State of Nevada

**ALN Number:** 21.027

**Grant ID Number:** N/A

**Match Amount and Type:** N/A

**Sub-Awards and Contracts:** It is anticipated that subawards and/or contracts will be needed for this project. The scope of services and amount of such awards have not yet been determined. Procurement of contracts will comply with the Washoe County Purchasing Manual and federal procurement guidelines in 2 CFR Part 200.

**FISCAL IMPACT**

Should the board accept this grant and these budget amendments, the FY24 Capital Improvements Fund (402) budget will be increased by \$21,900,000.00 in revenues, expenditures, and transfers in the following accounts:

<b>Cost Object &amp; Description</b>	<b>G/L Account &amp; Description</b>	<b>Amount</b>
IO-12252 Home Means Nevada Initiative	431100-Federal Grants	\$21,900,000
IO-12252 Home Means Nevada Initiative	818000-Intra-Fund Transfer	\$21,900,000
PWXXXXX – NV CC Supportive Housing IO12252	818000-Intra-Fund Transfer	(\$21,900,000)
PWXXXXX – NV CC Supportive Housing IO12252	781080 -Construction Contract	\$21,900,000

The current estimated ongoing personnel and operating costs of approximately \$750,000 (net of rental income of approximately \$440,000) are accounted for in the Homelessness Fund (F223) budget.

**RECOMMENDATION**

It is recommended that the Board of County Commissioners approve the acceptance of Home Means Nevada Initiative Funds awarded by the State of Nevada Department of Business & Industry Housing Division in the form of a grant in the amount of [\$21,900,000.00; no county match], to pay the costs of constructing and equipping a 50-unit affordable supportive housing project on a portion of the Nevada Cares Campus, with funds required to be obligated by December 31, 2024, and expended by December 31, 2026; if approved, authorize the County Manager to sign 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 Home Means Nevada Initiative Funds awarded by the State of Nevada Department of Business & Industry Housing Division in the form of a grant and in the amount of [\$21,900,000.00; no county match], to pay the costs of constructing and equipping a 50-unit affordable supportive housing project on a portion of the Nevada Cares Campus, with funds required to be obligated by December 31, 2024, and expended by December 31, 2026; if approved, authorize the County Manager to sign award documents, and direct the Comptroller’s Office to make the necessary budget amendments.”*