



WASHOE COUNTY

Integrity Communication Service

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STAFF REPORT

BOARD MEETING DATE: December 20, 2022

DATE: November 28, 2022

TO: Board of County Commissioners

FROM: Gabrielle Enfield, Community Reinvestment Manager
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THROUGH: Kate Thomas, Assistant County Manager
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SUBJECT: Recommendation to approve a Letter of Invitation for the Community Project Funding/Congressional Directed Spending. The Letter of Invitation is 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 homeless shelter ("Nevada Cares Campus") in the amount of [\$12,000,000; no county match] administered through the U.S. Department of Housing and Urban Development. If approved, this item will authorize 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. (All Commission Districts) FOR POSSIBLE ACTION

SUMMARY

Washoe Board of County Commissioners must accept grant awards and must approve amendments to the adopted fiscal year budget and direct the Comptroller's Office to make the necessary budget amendments. This staff report provides detailed information Community Project Funding/Congressional Directed Spending grant.

Washoe County Strategic Objective supported by this item: Vulnerable Populations

PREVIOUS ACTION

No previous action by the Board regarding this grant of funds.

BACKGROUND

The regional homeless shelter, the **Nevada Cares Campus**, was originally established to address the need of additional emergency shelter space and to offer wrap around services on site, enriched through partnerships with local service providers. The goal of the

AGENDA ITEM # _____

Nevada Cares Campus is to meet clients where they are at and provide housing focused case management to move clients to stable independent housing.

The Nevada Cares Campus currently includes more than 15-acres of property with a 46,000 square foot emergency shelter, 50 temporary shelter modular units, various modular administrative buildings, on-site laundry, restrooms, and a temporary area for participants to eat meals.

In addition to bringing services to the Nevada Cares Campus, enhancements include improving the arrival experience to include a diversion program, appropriate case manager ratios, mental health support and the provision of alternative shelter options to meet individuals' different needs and create community. The project is a multi-phased construction project with an estimated cost of over \$100,000,000 from multiple funding sources – including \$12,000,000 of Community Project Funding/Congressionally Directed Spending, through a HUD Economic Development Initiative grant, subject to HUD NEPA requirements.

Phase 1 was completed in June of 2021 by the City of Reno. The project consisted of constructing a 46,000 square foot sprung structure to meet the immediate needs of the homeless population. The approximate cost of this phase was \$16.8 million which included site acquisition, substantial site improvements needed for construction including utilities, and the export of non-structural fill and the import of structural fill for the building pad. Fifty temporary housing modular units were purchased and installed in Spring 2022. Project costs were shared between the City of Reno, City of Sparks and Washoe County.

Phase 2 started construction May 31, 2022. This phase consists of two restroom, shower & laundry facilities, concrete floor sealing in the sprung structure and installing personal living cubicles. This phase includes utility infrastructure to support the new buildings. Additional temporary shelter space is being created using existing shade tents for feeding occupants as well as temporary cold weather overflow space in the existing metal storage building.

Phase 3 is currently in the design phase and bids are planned for release in early January 2023. The anticipated construction start date is March of 2023. The overall estimated cost for this phase is \$34,460,076. Twelve million (\$12,000,000) will be funded by the *CPF funds* which will go towards the construction costs related to the 22,000 square foot Service Building. The Services Building will include a welcome center to process participants into the shelter and 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. Additional work will include site work, landscaping, fencing, roadway and parking lots, and utilities infrastructure. This phase will also include a remodel of exiting storage building to include a 9,000 square foot Resource Center with capacity of overflow sleeping provisions, restroom, shower and laundry facilities, storage and facilities management space, fencing, and parking.

The anticipated construction start date of Phase 4 is August of 2023. This phase consists of a 22,000 square foot, 50-unit, Permanent Supportive Housing Project to include individual living spaces, training area, security check point, and staff office.

The **Community Project Funds**, directed by the Consolidated Appropriations Act of 2022 (PL 117-103) create the opportunity to expand the Nevada Cares Campus beyond the emergency shelter facility and provide for necessary services.

Washoe County pursued funding through the Community Project Funding (CPF) process, formerly known as federal appropriations cycle, to provide funding to expand upon the initial phase of the newly constructed shelter and including a day use area, safe camping location, and internet and broadband infrastructure.

The funding was included in the Consolidated Appropriations Act of 2022 (PL 117-103). Both Senators Catherine Cortez-Masto and Jackie Rosen championed this effort through selection of the project to move forward through the Congressionally Directed Spending process. Washoe County received notice of this award in the amount of \$12,000,000. Staff have been working with HUD and our congressional representatives to ensure the uses and methods of construction are eligible and allowable uses and fit with the timeline for this very complex project.

Please note two important considerations regarding allowable costs:

The first is that the Consolidated Appropriations Act, 2022, prohibits CPF funds from being used to reimburse expenses incurred before the date the CPF Grant Agreement is executed.

The second is that, in keeping with the National Environmental Policy Act (NEPA) and HUD's NEPA-implementing regulations at 24 CFR Part 50 or 24 CFR Part 58, **environmental reviews must be completed, and a Request for Release of Funds and Certification must be approved by HUD, as applicable, for all projects prior to taking any 'choice limiting actions.'** This step is required to avoid violations under 24 CFR 58.22 which provides limitations on activities pending clearance, and Section 110(k) of the National Historic Preservation Act which prohibits anticipatory demolition or significant harm of historic properties prior to completion of the historic preservation review process known as Section 106 review. Examples of 'choice limiting actions' include, but are not limited to, purchasing land, entering into contracts for property acquisition or construction, or physical work on the project.

The next step is for Washoe County to provide 1) our organization's Authorized Representative, 2) a detailed project narrative, 3) a line-item budget, and 4) certain Federal forms. The detailed project narrative should capture the maximum anticipated scope of the proposal, not just a single activity that the CPF grant is going toward. It should include all contemplated actions that are part of the project. The line-item budget should identify the use of the CPF grant funds in context of the full project budget.

It is expected that the bidding process for the next phase of the Nevada Cares Campus expansion will begin and be conducted in a parallel process with the submission of the required forms, budget, and narrative. The required Environmental Review (ER) and the

submission of the Request for Release of Funds and Certification of the ER will also be completed in parallel with the bidding process. No choice limiting actions will be taken, and no funds will be expended until authorized by the U.S. Department of Housing and Urban Development.

Congressionally directed awards are managed by the Office of the County Manager's Community Reinvestment Division in coordination with the project's associated Washoe County department/division. In this instance, the Housing & Homeless Services Division of the Office of the County Manager and the Community Services Department's Engineering & Capital Projects Division will carry out implementation of the construction project while the Community Reinvestment Division will provide technical and compliance assistance, grant reporting, and fiscal management of the award.

FISCAL IMPACT

Should the board accept this federal assistance allocation, the FY23 Office of the County Manager and Capital Improvement Fund adopted budgets will be increased by \$12,000,000 in both revenues and expenditures in the following accounts:

Cost Object & Description	G/L Account & Description	Amount
IO-12130 Cares Services Building-CFP	431100-Federal Grants	\$12,000,000
IO-12130 Cares Services Building-CFP	814092-Transfer to CIP	\$12,000,000
PW 920725 Nevada Cares Campus	781080-Construction Contracts	\$12,000,000
PW 920725 Nevada Cares Campus	622270-Transfer from Other Restricted	\$12,000,000

This grant requires no match. Note: If the grant funds are not received the County will need to find funding sources to cover the costs.

RECOMMENDATION

Recommendation to approve a Letter of Invitation for the Community Project Funding/Congressional Directed Spending. The Letter of Invitation is 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 homeless shelter ("Nevada Cares Campus") in the amount of [\$12,000,000; no county match] administered through the U.S. Department of Housing and Urban Development. If approved, this item will authorize 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 . (All Commission Districts)

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be: *"move to approve a Letter of Invitation for the Community Project Funding/Congressional Directed Spending. The Letter of Invitation is 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 homeless shelter (“Nevada Cares Campus”) in the amount of [\$12,000,000; no county match] administered through the U.S. Department of Housing and Urban Development. If approved, this item will authorize 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 .”