



WASHOE COUNTY

Integrity Communication Service

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STAFF REPORT

BOARD MEETING DATE: April 11, 2023

DATE: April 5, 2023

TO: Board of County Commissioners

FROM: Dana Searcy, Division Director, Housing and Homeless Services,
dsearcy@washoecounty.gov, 775-325-8210

THROUGH: Kate Thomas, Assistant County Manager

SUBJECT: Recommendation to adopt Resolution R23-38 to execute a Lease Agreement between Washoe County and Accessible Space Inc. (ASI), a corporation for public benefit pursuant to NRS 82.021, for the development of approximately 120 units of affordable supported housing to support individuals transitioning out of homelessness for a term of 30 years [in the amount of \$1 per year] located on a portion of the Nevada Cares Campus [APN 008-211-50]. NRS 244.284 gives the Board authority to lease any of the real property of the county for a term not exceeding 99 years if such real property is not needed for the public purposes of the county and is leased to a corporation for public benefit, and the property is used for charitable or civic purposes. (All Commission Districts.) **FOR POSSIBLE ACTION**

SUMMARY

The Project will provide supportive housing to individuals transitioning out of homelessness who are unable to live independently in Northern Nevada. The Project includes housing that provides residents with comprehensive case management and continuum of care for individuals who would otherwise remain or become homeless due to their medical, physical, intellectual, or mental health condition.

Washoe County Strategic Objective supported by this item: Vulnerable Populations

PREVIOUS ACTION

On March 28, 2023, the Board of County Commission motion ended in a two to two vote for item 7.E.3. (Hill and Garcia in support - Clark and Herman opposed).

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.

AGENDA ITEM # _____

On April 26, 2022, the Board approved an Amended Lease Agreement between Washoe County and the Reno Housing Authority, for the term of December 8, 2021- June 30, 2022, pending Washoe County's purchase of 1775 East 4th Street, Reno, Nevada, 89512.

On April 12, 2022, the Board directed staff to proceed with purchasing property owned by Reno Housing Authority located at 1775 E 4th St, Reno, NV, 89512 (APN 008-211-50) [estimated purchase price of \$5 million] and to present the legal documents for approval at a future board meeting.

On January 11, 2022, the Board approved a six-month Lease Agreement between Washoe County and the Housing Authority of the City of Reno authorizing the County to occupy 1775 East 4th Street, Reno, Nevada, 89512 (APN 008-211-50), to provide services and shelter for people experiencing homelessness.

On December 14, 2021, the Board accepted donation of two parcels of land from the City of Reno. The parcels were located at 1498 E. 7th Street, Reno, NV 89512 (APN 008-211-47) [assessed value of \$36,742] and 1800 Threlkel St., Reno, NV 89512 (APN 008-211-51) [assessed value of \$873,903] pursuant to the Amended Interlocal.

On August 30, 2021, at a concurrent meeting of the City of Reno, Washoe County and the City of Sparks, Amendment No. 2 and Extension of Interlocal Cooperative Agreement was approved. The Amended Interlocal revised the roles and responsibilities of the government 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, Board of County Commissioners directed staff to pursue an expanded role in addressing the regional issue of homelessness in accordance with its Strategic Plan.

At the November 18, 2020, concurrent meeting, the City of Reno approved a purchase agreement between the City of Reno, the Reno Housing Authority (RHA) and Property Owner for the approximately ±9.39-acre parcel known as the Wells Cargo Property (APNs 008-211-43 and 008-211-46) located at 1175 East Fourth Street, Reno, NV.

On November 18, 2020, at a concurrent meeting of the Sparks City Council, Reno City Council, and Washoe County Board of Commissioners, the three entities (Parties) entered into an Interlocal Cooperative Agreement for Shelter Operation and Other Homeless Services (Interlocal).

BACKGROUND

In August 2022, Washoe County purchased the parcel (APN:008-211-50) from the Housing Authority of the City of Reno for \$5.5 Million for the purpose of affordable housing development. Also in August of 2022, Washoe County released a Request for Qualifications for a Supportive Housing Developer for potential future projects on the Nevada Cares Campus in accordance with NRS 332 (RFQ 3195-22 Supportive Housing Developer).

Accessible Space, Inc. was selected as the only approved vendor after review of all submitted proposals. Since then, Washoe County secured a Conditional Use Permit from

the Reno City Planning Commission on November 2, 2022, to allow for the campus expansion of homeless service provider inclusive of future housing development.

ASI has obtained grant funding for the Project and is applying for additional funding. Accessible Space was awarded \$15.8 million for the project to develop 120 units for affordable supportive housing. Accessible Space, Inc. is currently applying for HUD funding through the Washoe County Home Consortium. The lease is necessary for Accessible Space, Inc. to be eligible for this year's HUD funding round as one of the qualifications is to have site control of the property.

It is recommended that a Lease Agreement between Washoe County and Accessible Space Inc. (ASI), a corporation for public benefit pursuant to NRS 82.021, for the development of approximately 120 units of affordable supported housing to support individuals transitioning out of homelessness for a term of 30 years [in the amount of \$1 per year] located on a portion of the Nevada Cares Campus [APN 008-211-50]. NRS 244.284 gives the Board authority to lease any of the real property of the county for a term not exceeding 99 years if such real property is not needed for the public purposes of the county and is leased to a corporation for public benefit, and the property is used for charitable or civic purposes.

Washoe County has been communicating the ongoing intent for the land and through multiple public meetings. Listed below are meetings that have occurred regarding the development of supportive and low-income affordable housing at the Cares Campus over the past two years:

- City of Reno – Approval of a Conditional Use Permit for the Washoe County Cares Campus.
 - Oct 4, 2022, Neighborhood Advisory Board Meeting – Ward 3
 - Nov 2, 2022, Planning Commission Meeting
- Board of Washoe County Commissioners - Nevada Cares Campus Development Update
 - Oct 25, 2022
 - April 12, 2022
- Community Homeless Advisory Board - Nevada Cares Campus Development Update
 - Sept 12, 2022
 - March 7, 2022
- Concurrent council meeting regarding regional homeless services and a Nevada Cares Campus update for the three entities-- City of Reno, City of Sparks, and Washoe County.
 - August 30, 2021

FISCAL IMPACT

ASI agrees to pay to Washoe County \$1 per year for the Property during the Ground Lease's term. Washoe County affirms that it has received from ASI an advanced payment of \$30.00 for rent during this Ground Lease's initial term. ASI shall supply any necessary utilities including electricity, water, sewer, trash, and telephone service for the Project and the Property, including payment for expenditures related to said items.

Should the Board approve the lease terms, the lease revenue will be accounted for in Fund 223 (Cost Center 223410-Cares Campus Shelter).

RECOMMENDATION

Recommendation to adopt Resolution R23-38 to execute a Lease Agreement between Washoe County and Accessible Space Inc. (ASI), a corporation for public benefit pursuant to NRS 82.021, for the development of approximately 120 units of affordable supported housing to support individuals transitioning out of homelessness for a term of 30 years [in the amount of \$1 per year] located on a portion of the Nevada Cares Campus [APN 008-211-50]. NRS 244.284 gives the Board authority to lease any of the real property of the county for a term not exceeding 99 years if such real property is not needed for the public purposes of the county and is leased to a corporation for public benefit, and the property is used for charitable or civic purposes.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be: *“Move to adopt Resolution R23-38 to execute a Lease Agreement between Washoe County and Accessible Space Inc. (ASI), a corporation for public benefit pursuant to NRS 82.021, for the development of approximately 120 units of affordable supported housing to support individuals transitioning out of homelessness for a term of 30 years [in the amount of \$1 per year] located on a portion of the Nevada Cares Campus [APN 008-211-50]. NRS 244.284 gives the Board authority to lease any of the real property of the county for a term not exceeding 99 years if such real property is not needed for the public purposes of the county and is leased to a corporation for public benefit, and the property is used for charitable or civic purposes.”*