

## STAFF REPORT

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**Date:** October 9, 2024

**To:** Mayor and City Council

**Through:** Jackie Bryant, Interim City Manager

**Subject:** Staff Report (For Possible Action): Update, discussion, and potential direction to staff regarding the allocation of State and Local Fiscal Recovery Funds received through the American Rescue Plan Act for repairs and improvements to landscaping and security at the First Church of Christ, Scientist/Lear Theater (\$848,337); or alternatively, reallocation to downtown trashcans (\$300,000), a parks district consultant (\$200,000), a payroll system consultant (\$250,000), and Smart Technology Applications (\$98,337). (ARPA Funds)

**From:** Megan Berner, Arts and Culture Manager

**Department:** City Manager's Office – Arts and Culture

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**Summary:**

Council previously allocated \$1,000,000 from the American Rescue Plan Act (ARPA) Coronavirus State and Local Fiscal Recovery Fund (SLFRF) to the Lear Theater for repairs and improvements to landscaping and security. The original budgeted projects included commissioning a Historic Structures Report (HSR), replacement of concrete on the steps and terrace landing on the south façade, installation of new ADA-compliant handrails on the steps at the south façade, replacement of landscaping based on historic landscaping, new exterior lighting to illuminate the building from the landscape, installation of landscape irrigation, and a new temporary perimeter fence and gates constructed of wrought iron to secure the property. Due to the extensive covenants on the property, the State Historic Preservation Office (SHPO) must sign off on these proposed improvements. At the time of agenda posting, SHPO has not approved the request for a temporary wrought iron fence to secure the property. Staff is seeking direction from Council to proceed with identified repairs/improvements and/or reallocation of SLFRF funds.

**Alignment with Strategic Plan:**

Arts, Parks, and Historical Resources  
Economic and Community Development

**Previous Council Action:**

March 8, 2023 – Council approved a \$1,000,000 allocation to the Lear Theater for Landscaping/Fence Repairs/Improvements from State and Local Fiscal Recovery Funds.

**Background:**

On March 11, 2021, President Biden signed the American Rescue Plan Act (ARPA) establishing the Coronavirus State and Local Fiscal Recovery Fund (SLFRF). The SLFRF allocates funding to state, county, and local governments to support efforts to recover from the impacts of the COVID-19 pandemic. Reno City Council has approved priority categories based on Treasury requirements, community input, City of Reno Strategic Plan, and Reno City Council priorities. These are:

- Access to Healthcare
- Affordable Housing
- Community Projects
- Pandemic Response
- Parks & Recreation
- Public Safety
- Senior Support

**Discussion:**

Proposed improvements and repairs for the Lear include the replacement of concrete on the steps and terrace landing on the south façade, installation of new ADA-compliant handrails on the steps at the south façade, replacement of landscaping based on historic landscaping, new exterior lighting to illuminate the building from the landscape, installation of landscape irrigation, and a new temporary perimeter fence and gates constructed of wrought iron. A historic structures report was also identified as an item to be funded through this allocation to determine current structural quality and potential costs for bringing the building up to code to allow access.

The Lear Theater has preservation covenants on the property through 2060 because it has received federal funding from the Historic Preservation Fund under past ownership. Those covenants are passed on to any future owners of the property. The covenants state that all visual and structural alterations must have permission from the State Historic Preservation Office (SHPO). This also means that all updates to the building and the site must be done within the guidelines of the Secretary of the Interior’s (SOI) Standards for the Treatment of Historic Properties.

After the \$1,000,000 ARPA allocation to the Lear Theater upgrades project, staff began working with Design Workshop to create a set of designs and plans for the upgrades in accordance with the SOI Standards. The detailed drawings outline the work to be done in order for the City to go out to bid for the project and to get SHPO approval for the project. Staff sent all of the required information to SHPO and requested permission for the proposed improvements in March 2024.

The SHPO asked for clarification on a few items and information was gathered as well as drawings modified to answer their concerns and was resubmitted. On June 24, 2024, the SHPO sent a formal letter with their review. The City responded with additional information on August 9, 2024 and is awaiting a formal response.

Currently, the SHPO does not give permission to construct a temporary wrought iron perimeter fence and gates. The SHPO will permit a temporary, chain-link, construction-style fence like what is existing. The SHPO cited the Secretary of the Interior’s Standards for the Treatment of Historic Properties and noted that “fencing that is anchored in the ground is considered permanent and cannot be characterized as temporary” in their denial. According to SHPO, the fence substantially alters the setting of the Lear Theater and diminishes the historic character of the property. Staff is working with SHPO to convene the Commission for Cultural Centers and Historic Preservation (CCCHP) who advise the State on matters pertaining to the preservation and promotion of Nevada’s cultural resources to review the application for the temporary fence and decide whether the City can proceed or not.

To date, the following has been spent or is in contract of the \$1,000,000 allocation:

Description	Amount
Historic Structure Report (HSR) currently in progress	\$99,957
Design Workshop design and plans for the project	\$49,636 (out of \$70,600 contract)
Building Permit	\$2,070
<b>TOTAL</b>	<b>\$151,663</b>

This leaves \$848,337 left for the proposed improvements on the building or Council reallocation.

The repairs and improvements have been budgeted based on estimates as follows:

Improvement/Repair Description	Estimated Construction Amount
Concrete replacement/repair	\$330,000
Landscaping/irrigation	\$300,000
Design Workshop Remaining Contracted Funds	\$20,964
Temporary Wrought Iron Fence	\$140,000
Contingency	\$67,373
<b>TOTAL</b>	<b>\$848,337</b>

Potential options for moving forward are:

- Proceed with improvements as approved by SHPO excluding the proposed temporary fence and reallocate funds previously budgeted for the temporary fence.
- Do not proceed with any improvements and reallocate the remaining funds.
- Proceed with the improvements only if CCCHP and SHPO approve all of the proposed improvements, including the temporary fence and if they do not, return to Council for

reallocation of funds.

- Reallocation of the funds for priority projects including:

Project Description	Amount
Downtown Trash Cans	\$300,000.00
Parks District Consultant	\$200,000.00
Payroll System Consultant	\$250,000.00
Smart Technology Applications	\$98,337.00
<b>TOTAL</b>	<b>\$848,337</b>

- Other Council direction.

**Financial Implications:**

Future funding of projects using these funds will follow standard City purchasing and contracting policies and procedures.

**Legal Implications:**

Funds will be allocated and spent in compliance with the American Rescue Plan Act, Department of Treasury Final Rule, and City purchasing policies and procedures.

**Recommendation:**

Staff recommends Council:

- Proceeds with improvements as approved by SHPO excluding the proposed temporary fence and reallocate funds previously budgeted for the temporary fence; or
- Does not proceed with any improvements and reallocate the remaining funds; or
- Proceeds with the improvements only if CCCHP and SHPO approves all of the proposed improvements, including the temporary fence and if they do not, return to Council for reallocation of funds; or
- Proceeds with the reallocation of the funds at a not to exceed value of \$848,337 to new projects including downtown trashcans (\$300,000), a parks district consultant (\$200,000), a payroll system consultant (\$250,000), and smart technology applications (\$98,337).

**Proposed Motion:**

I move to approve:

- Proceeding with improvements as approved by SHPO excluding the proposed temporary fence and reallocate funds previously budgeted for the temporary fence; or
- Not proceeding with any improvements and reallocate the remaining funds; or
- Proceeding with the improvements only if CCCHP and SHPO approves all of the proposed improvements, including the temporary fence and if they do not, return to Council for reallocation of funds; or
- Proceeding with the reallocation of the funds at a not to exceed value of \$848,337 to new projects including downtown trashcans (\$300,000), a parks district consultant (\$200,000),

a payroll system consultant (\$250,000), and smart technology applications (\$98,337) and authorize the interim city manager to execute contracts.

**Attachments:**

SHPO Covenant Review Letter June 24, 2024