

## STAFF REPORT

---

**Date:** September 27, 2023

**To:** Mayor and City Council

**Thru:** Doug Thornley, City Manager

**Subject:** Staff Report (For Possible Action): Discussion and potential direction to staff regarding submission of the Consolidated Annual Performance and Evaluation Report (CAPER) for Housing and Urban Development (HUD) Grant Programs for Program Year 2022 for the City of Reno and Washoe County HOME Consortium to HUD.

**From:** Jayna Litz, Management Analyst

**Department:** City Manager's Office – Housing & Neighborhood Development

---

### **Summary:**

The Consolidated Annual Performance and Evaluation Report (CAPER) provides an overview of the expenditure of U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG), Home Investment Partnerships Act (HOME), and Emergency Solutions Grant (ESG) funding, and the jurisdictions' community development and affordable housing accomplishments for the 2022 Program Year (PY), defined by the local government as FY23. Staff is seeking Council approval before submission to HUD.

### **Alignment with Strategic Plan:**

Economic Opportunity, Homelessness, and Affordable Housing  
Economic and Community Development

### **Previous Council Action:**

There is no recent Council action relevant to this item.

### **Background:**

The CAPER is an annual report on the activities, expenditures, and accomplishments of the HUD grant programs managed by the City of Reno and the Washoe County HOME Consortium. The three programs under review are the Community Development Block Grant Program (CDBG), the HOME Investment Partnerships Program (HOME), and the Emergency Solutions Grant (ESG).

Grant recipients are required to complete both a Five-Year Consolidated Plan and an Annual Action Plan for the three grant programs. The purpose of the Five-Year Consolidated Plan is to identify the City's housing and community development needs, priorities, goals, and strategies, and to stipulate how funds will be allocated to housing and community development activities. The Annual Action Plan designates how participating jurisdictions propose to spend the federal grant funds in a given program year.

As noted above, each year grant recipients are required to report to HUD on activities, expenditures, and accomplishments through the Consolidated Annual Performance Evaluation Report (CAPER). The CAPER reflects progress and problems in implementing the appropriate Annual Action Plan, and refers back to the goals and expectations in the last Five Year Plan. The City of Reno oversees the Consolidated Plan, Annual Action Plan, and CAPER preparation for the City of Reno and the Washoe County HOME Consortium (WCHC).

#### **Discussion:**

The PY 2022 draft CAPER for the City of Reno and Washoe County HOME Consortium provides an overview and is attached. The report covers year three of the Five-Year Consolidated Plan period. Submission of the CAPER is required within 90 days of the end of the program year, which is a due date of September 28, 2023.

The CAPER is intended to provide a description of the HUD funded programs, a descriptive listing of the projects undertaken during the last year, the amount of funding expended, a review of the accomplishments achieved using grant and other funds, and serves as an assessment of progress made toward the jurisdiction's goals as specified in the 2020-2024 Consolidated Plan and 2022 Annual Action Plan. The CAPER is a programmatic review and is done in addition to the City's annual financial audit.

In PY 2022, the City received \$2,070,240 in CDBG funding that supported public facilities activities such as new playgrounds and accessibility improvements. The following Public Facility projects received 2022 CDBG funds, carryover funds from prior years, or program income:

<b>Activity Name</b>	<b>Allocation</b>	<b>Prior Years' Draws</b>	<b>FY 22/23 Draws</b>	<b>Total Draws</b>	<b>Remaining in Project</b>
Robinhood Park Playground	\$550,000	\$26,430	\$504,708	\$531,138	\$18,862
Paradise Park Security Gates	\$271,000	\$84	\$261,408	\$261,492	\$9,508
Dick Taylor Tennis and Pickleball Courts	\$356,400	\$73	\$303,543	\$303,616	\$52,784

Fire Station 2 Facility Improvements	\$130,000	\$0	\$20,446	\$20,446	\$109,554
Canyon Creek, Dorothy McAlinden, & Sterling Village ADA Playground Improvements	\$850,000	\$0	\$479,012	\$479,012	\$370,988
Paradise Park Playground & Restroom	\$1,642,199	\$0	\$1,562,758	\$1,562,758	\$79,441
Plumas Gym ADA Improvements	\$296,442	\$30,270	\$266,172	\$296,442	\$0
ADA Pedestrian Ramps	\$75,000	\$0	\$75,000	\$75,000	\$0
California Building ADA Ramp	\$84,449	\$82,324	\$2,125	\$84,449	\$0
Yori Park Fence	\$203,043	\$198,091	\$4,952	\$203,043	\$0
Watt Street Area ADA Improvements and Rehab	\$150,000	\$0	\$150,000	\$150,000	\$0

The WCHC expended \$1,373,970 in HOME funds to support the development and rehabilitation of several residential projects in PY 2022. The following is a summary of all projects upon which funds were expended:

1. Rehabilitation of Vista Point Apartments, located at 250 Talus Way, Reno. There will be 44 total affordable units at 60% AMI; including nine HOME units, three at 30% AMI and six at 60% AMI.
2. New construction of Marvel Way Apartments (Phase I), 1505 Marvel Way, Reno. This project will have 42 affordable units between 30-50% AMI; including seven HOME units, three at 30% AMI, and four at 50% AMI.
3. New construction of Truckee Heights Apartments, located at 2153 Prater Way in Sparks. This complex consists of 40 units for individuals and families earning less than 60% AMI. There will be eleven HOME units, four at 30% AMI, one at 50% AMI, and six at 50% AMI.
4. New construction of Orovada Senior Apartments (Phase I), located at 2580 Orovada Street, Reno. The apartments will have 40 total affordable units at 30-50% AMI; including eleven HOME units, three at 30% AMI, and eight at 50% AMI.
5. New construction of Copper Mesa Apartments, located at 205 Silver Lake Road, Reno. This project consists of 290 total units affordable at 60% AMI; including four HOME units, all at 50% AMI.
6. New construction of The Ridge at Sun Valley, located at 5100 W. 1st Avenue, Sun Valley. There will be 195 total affordable units at 50-60% AMI; including three HOME units, all at 50% AMI.

In PY 2022, the City received \$179,367 in ESG funding from HUD and \$100,000 in ESG-CV funding from the State of Nevada. The City used ESG HUD funds, carryover funds from prior years (\$158,257), and ESG-CV State of Nevada funds towards the City's ESG rental and deposit assistance program, which provided \$291,031 in rental assistance to 150 households for a total of 182 months of rent and 56 security deposits.

An additional \$1,085,287 in State Affordable Housing Trust Funds was expended on rent, utility deposits, and program administration to assist 387 households, providing 498 months of rent and 134 security deposits.

Lastly, \$2,971,618 in Emergency Rental Assistance Program funds were spent using the City's rental and deposit assistance program to assist 881 households, providing 1,063 months of rent and 247 security deposits.

Federal regulations require a 15-day public comment period for the CAPER, and the City's HUD-approved Citizen Participation Plan requires a public hearing. A notice announcing the availability of the CAPER was published on September 11, 2023, in the Reno Gazette Journal. The public comment period was from September 11, 2023 until close of business on September 26, 2023, with the public hearing being held on September 27, 2023. Any public comment received will be taken into consideration in finalizing the CAPER prior to submission to HUD on September 28, 2023.

**Financial Implications:**

There are no financial implications associated with this item.

**Legal Implications:**

Legal review completed for compliance with City procedures and Nevada law.

**Recommendation:**

Staff recommends Council approve submission of the Program Year 2022 Consolidated Annual Performance and Evaluation Report (CAPER) to Housing and Urban Development (HUD).

**Proposed Motion:**

I move to approve staff recommendation.

**Attachments:**

Reno 2022 CAPER Draft