

STAFF REPORT

Date: September 27, 2023

To: Mayor and City Council

Thru: Doug Thornley, City Manager

Subject: Staff Report (For Possible Action): Approval of Interlocal Contract with Northern Nevada Adult Mental Health Services (NNAMHS) to reimburse the City for housing placement services in an amount not to exceed \$752,832.

From: Monica Cochran, Housing Manager

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

Summary:

Northern Nevada Adult Mental Health Services (NNAMHS) is in need of housing for Individual Community Placement clients and wish to contract with the City to provide funding for 12 housing units. Volunteers of America (VOA) purchased and is rehabilitating the Hwy 40 Motel into permanent housing for low-income residents with a mental health preference. The City will contract with VOA to provide housing for 12 NNAMHS clients at the Hwy 40. The contract(s) will provide a nightly rate of \$85.71 to be paid from NNAMHS to the City of Reno and for the City of Reno to reimburse said amount to VOA in an amount not to exceed \$752,832.

Alignment with Strategic Plan:

Economic Opportunity, Homelessness, and Affordable Housing

Previous Council Action:

There is no recent Council action relevant to this item.

Background:

NNAMHS is in need of housing for Individual Community Placement clients to reside while receiving extensive case management and learning to live independently. In July 2023, NNAMHS and City staff began conversations regarding possible partnerships. City staff recognized the Hwy 40 project as a potential avenue for these clients to begin their journey into independence.

VOA recently received funding from the City of Reno and the State of Nevada for the purchase and rehabilitation of the Hi-way 40 Motel. The City of Reno awarded \$2.35 million for the

purchase and the State of Nevada provided \$4.3 million for renovations through the Home Means Nevada Initiative grant. The purchase of the Hi-way 40 closed escrow on September 15, 2023 and VOA has initiated the procurement process for the rehabilitation efforts.

Discussion:

This project is a collaborative effort between the City of Reno, NNAHMS, and VOA. Through this partnership, up to 12 individuals at or below 60 percent of area median income (AMI), who have severe mental illnesses and are participating in NNAHMS's Assisted Outpatient Treatment (AOT) program, will live at the Hi-way 40.

When NNAHMS receives a referral from one of the specialty courts, they will conduct an assessment to determine the level of care and service needs of the individuals to ensure proper placement. If appropriate, participants will be referred to the Hi-way 40. Once accepted, the participants will receive regular, frequent case management services on site, as well as mental health services through NNAHMS. Each client will have a placement agreement which will outline the requirements to stay at the Hi-way 40. The client will be allowed to remain at the site as long as necessary, and while participating in the program. When a unit becomes available and has been prepared for move in, the next referral will receive placement as quickly as possible.

VOA will provide continuous onsite staff and will work closely with NNAHMS staff to ensure the success of clients. VOA will work with partnering agencies to arrange activities on site in the community space that will enhance the experience of the clients. VOA will track information pertaining to each client and provide necessary reporting information as required.

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 the Interlocal Contract with Northern Nevada Adult Mental Health Services

Proposed Motion:

I move to approve staff recommendation.

Attachments:

C 18242 City of Reno (9-30-25) Final