

**BOARD OF COUNTY COMMISSIONERS
WASHOE COUNTY, NEVADA**

WEDNESDAY

9:00 A.M.

JANUARY 26, 2022

PRESENT:

Vaughn Hartung, Chair
Alexis Hill, Vice Chair
Bob Lucey, Commissioner
Kitty Jung, Commissioner, via Zoom
Jeanne Herman, Commissioner, absent

Janis Galassini, County Clerk
Eric Brown, County Manager
Nathan Edwards, Assistant District Attorney

ABSENT:

Jeanne Herman, Commissioner

The Washoe County Board of Commissioners convened at 9:08 a.m. in special session at Red Hawk Golf and Resort, 6600 N Wingfield Pkwy, Sparks, Nevada. Following the Pledge of Allegiance to the flag of our Country, County Clerk Jan Galassini called roll and the Board conducted the following business:

22-0085 AGENDA ITEM 3 Public Comment.

Mr. Thomas Daly urged the Board to use one bill draft request to require mandatory automatic aid among all Washoe County fire jurisdictions. He said Senate Bill 185 was in place from October 2015 to October 2017, with subsequent interlocal agreements that listed out the details. He commented Reno City began violating the terms of their agreement with the Truckee Meadows Fire Protection District, and no amount of negotiation with Reno City had resolved their failure to dispatch the closest fire unit as called for in the agreement. He opined lives and property were at risk due to Reno City's violations. He further noted that Reno City had returned to the practice of closing one or more fire stations or units on a nearly daily basis. He informed the current interlocal agreement had no penalty for violating the terms and thought only a statutory mandate from the Legislature would bring Reno City into conformance with the agreement.

Nevada Housing Coalition (NHC) Executive Director Christine Hess said an investment in affordable housing was an investment in long-term assets that would benefit multiple generations. She opined for the County to be most effective, they must coordinate the Coronavirus Aid, Relief, and Economic Security Act funding with sound policies. She felt encouraged when Clark County submitted \$157 million of their American Rescue Plan and Recovery funds for affordable housing, and she was further encouraged by the Washoe County Board of County Commissioners' agenda item for the day's workshop. She opined solving the affordable housing crisis was a long-term commitment

and advised NHC would support the Board and staff with their considerations. She explained NHC recommended the State use \$5 million of their fiscal recovery funds for affordable housing; the amount was divided into four buckets: multi-family housing, preservation, land, and ownership. With the release of the final rule, she said NHC would analyze and make modifications to their recommendations. She informed Enterprise Community Partners, a national non-profit organization, would provide analysis on the final rule.

22-0086 **AGENDA ITEM 4** Announcements/Reports.

The Board had no announcements or reports.

22-0087 through 22-0091

AGENDA ITEM 5 Strategic Planning Discussion: The purpose of the Strategic Planning Workshop is to discuss and possibly give direction regarding strategic objectives for the current Fiscal Year 2022 and possible Fiscal Year 2023 objectives of the Washoe County Commission, which may include, but not be limited to review, discussion and possible direction to staff regarding:

Chair Hartung informed that the moderator for the session was Erica Olsen, Chief Operating Officer and Co-Founder of OnStrategy, who would act as facilitator for the workshop.

Ms. Olsen advised that the Board would have a freeform discussion about significant, future creating topics for the County. She noted the first three agenda items were very strategic and would have a systemic long-term impact on the County. She explained the Board would then move on to short term items and discuss updates regarding Nevada Revised Statutes, bill draft requests, and the American Rescue Plan Act priorities. She indicated she would look to the Board for direction on the pace of the discussion.

Ms. Olsen said each item on the agenda could have been a workshop of its own, and she noted staff was looking for direction from the Board, not necessarily action. She mentioned any actionable items would come back to the Board later. She informed staff was looking for clarity on the items, and the subject matter experts who led the conversation should add to the discussion. Chair Hartung recognized that each item could be its own workshop but said the goal was to try to condense the items yet keep the meeting open for robust conversation.

22-0087 **5.A. Infrastructure Evaluation & Future Needs.**

Erica Olsen, Chief Operating Officer and Co-Founder of OnStrategy, acting as facilitator for the workshop, said staff was seeking direction on the Board's expectations regarding level of service for each infrastructure category. She asked Mr. Dave Solaro,

Assistant County Manager and Director of Community Services Department (CSD), to give a brief overview before discussion began.

9:31 a.m. The Board recessed to resolve technical issues.

9:41 a.m. The Board reconvened.

Mr. Solaro conducted a PowerPoint presentation, a copy of which was placed on file with the Clerk, and reviewed slides with the following titles: Seeking Direction; and America's Infrastructure Scores. He was looking for direction from the Board on programs taxed with maintaining the County's infrastructure. In the context of the infrastructure scorecard, he explained, infrastructure was the basic equipment and structures needed for the County to provide day-to-day services to citizens. He noted that services were things that made daily life pleasurable for citizens; things County employees worried about so the citizens did not have to. He said the information he provided captured some of the Board directed service levels. For example, he remarked, the Pavement Condition Index (PCI) had a goal of 73, which allowed the County to maintain the paved roadways without spending too much money; in fact, the County was on the verge of spending too little money on paved roadways.

Mr. Solaro said other service levels had not been determined by the Board, so he made the decision to analyze the condition of the infrastructure based on the budget allowed by the Board. Policy direction by the Board, he indicated, was determined by the budget allowed for different areas. Now that a benchmark grade had been set, he asked for the Board's feedback on whether staff had met the expected grade; if the expected grade had not been met, he asked for elaboration from the Board on ways to improve the grade.

Business Intelligence Program Manager Aaron Smith conducted a PowerPoint presentation, a copy of which was placed on file with the Clerk, and reviewed slides with the following titles: Definitions, Washoe County Infrastructure Scorecard (2 slides), and Board Direction > Level of Service. The Washoe County Infrastructure Scorecard could inform policy decisions and directions on level of service, he explained. He said a methodology similar to the national and state scorecards, developed by the American Society of Civil Engineers, was applied to the County's infrastructure scorecard. The outcome, he communicated, was an overall health score for each infrastructure class and a narrative report.

Mr. Smith said CSD came up with objective metrics to score the infrastructure using sources like industry benchmarks, condition assessments, funding histories, maintenance histories, and stakeholder surveys. Each factor, he advised, had been weighed differently as to how it influenced the overall score. He said each factor was given a grade, as well as an overall grade; the result was a heat matrix. He indicated the "to be determined" on stormwater was due to the lack of a comprehensive condition assessment of the stormwater. He noted the assessment would occur during the upcoming summer. He commented the heat matrix was a way to see where the County stood, and it enabled Board discussion about policy decisions and direction regarding level of service.

Division Director of Operations Eric Crump looked forward to discussion and direction from the Board. He pointed out the County's overall score was good compared to the state and national averages. He said the two F's listed in the parks score did not mean the County was failing in parks; in some areas of parks the County did very well. He recommended the Board focus on road pavement, stormwater, parks, and facilities buildings during the workshop. He noted fleet, sewer collection, reclaimed water, and sewer treatment had dedicated funding sources with policies set through rates and fees approved by the Board. He informed the parks category and the facilities building category competed for general fund dollars. Road pavement and stormwater was funded through fuel tax, he explained.

Chair Hartung thought many interjurisdictional relationships existed regarding several of the issues. He noted the storm water in Spanish Springs fed into the Sparks City system, and the Cities of Sparks and Reno worked collaboratively with the County on road and pavement issues. Washoe County, he said, helped Reno City with sewer and reclaimed water. He opined stormwater was a huge issue regionally and said the County would need to be the lead in conversations regarding a regional stormwater utility. He commented that parks were cross-boundary issues because people went to parks all over the valley, not just where they lived.

Commissioner Lucey noted items the Board focused on had been brought up to standard, but the things they did not make a priority had been neglected. He said the Board had not made parks a priority until the past year or two. He expressed his frustration over parks with broken equipment, unmaintained grass, and no restrooms. Parks had many issues that had never been addressed for long-term maintainable solutions, he commented. He opined the Board needed to focus on creating maintainable solutions so future needs and funding would not be at an excess. He thought it was cost prohibitive to maintain hundreds of acres of facilities and said parks needed a reasonable budget that was sustainable.

Commissioner Lucey agreed with Chair Hartung that stormwater was an issue, and he noted there were many areas in District 2 that relied upon storm ditches only. In 2017, irrigation ditches and waterways had been utilized to help with flood mitigation. Through different interlocal agreements the County worked with ditch companies to maintain irrigation ditches and waterways as stormwater utilities; he opined that was a way of the past and the County needed to be innovative in their approach. He said many times ditches failed and caused problems, which left no recourse for the County. He thought resolving the stormwater issues was important because the County saw more violent storms than before.

Commissioner Lucey said future need involved the cost of maintaining older roads. He said there were innovative ways to maintain roads and mentioned he wanted to look at potential strategies to change the pavement mix. He said the infrastructure scorecard showed a gap in the funding for roads. He talked about an instance in December when Nevada State Route 431 was shut down for snow because it could not be maintained by the State due to staffing issues. He opined discussion was needed regarding a joint

agreement for the agencies to work collectively as a region to ensure roads were maintained; this would enable the agencies to join funds and mitigate future costs. He thought the Board needed to get away from the old way of doing things and provide a new way of service.

Commissioner Lucey commented that County facilities had struggled due to a lack of capital improvement money. He said infrastructure was more than brick and mortar; it also included technology and power generation. He thought the Board needed to refocus their direction on infrastructure improvements.

Vice Chair Hill said she was excited about the discussion regarding parks. She thought parks had opportunities on the capital improvement project list and the Board could pick and choose what projects would be best to invest in. She noted that parks had a direct correlation with lower crime rates and provided a better quality of life for citizens. She asked if libraries were part of the facilities buildings, and Mr. Crump replied yes. She pointed out there were opportunities for supporting the libraries.

Regarding the investment of roads, Vice Chair Hill said multimodal and pedestrian improvements needed to be incorporated into roadway improvements. She said her constituents wanted safe ways to get around, and she mentioned the tickets she had open with CSD for pedestrian improvements. She opined there were ways to incorporate sustainability and conservation, yet still have cost savings for the County. She reminded that the Board approved funding last fiscal year for a pedestrian, multimodal parking and traffic study in Incline Village and Crystal Bay. She wanted additional funding to work with the state on the suggested improvements. She suggested that the Board discuss other areas that could benefit from similar studies and investments.

Commissioner Jung wondered why the Regional Transportation Commission (RTC) did not handle all the roads. She opined if RTC handled all the roads it could be done for less money because of the volume they would do. She said it had always bothered her that road pavement was not regionalized. The F grades given for parks were the aftereffects of previous Board members cutting the parks budget by 48 percent, she opined. She agreed with Commissioner Lucey that research into infrastructure should be done at a regional level to achieve permanent and sustainable solutions. She asked for solutions and funding for the D's and F's on the infrastructure scorecard. She pointed out the water reclamation score and Chair Hartung's work. She reflected that the high scores showed how policy equaled dollars.

Commissioner Lucey said the leadership and executive team should be given the flexibility to move dynamically. He opined the County needed to be innovative and take steps to grow, rather than constantly cutting and trying to recoup the loss at a cost that equaled more than the savings from the cuts. It would take an innovative leadership who was willing to take aggressive steps to address the County's needs, he commented. He agreed with Commissioner Jung that water had done so well because of Chair Hartung's leadership and his actions in working with staff. He felt the same thing needed to happen with each issue on the infrastructure scorecard.

Commissioner Lucey opined the Board could not sit by and wait for things to fix themselves. He noted the budget was cut every year, with nothing done to repair it. He thought the Board needed to give staff the ability to make changes with innovative programs that would create more revenue streams while not raising taxes. He asserted the County needed to live within the \$800 million received annually and not rely on the one-time American Rescue Plan Act (ARPA) funds.

Chair Hartung said major cuts had been made to every department and the dollars cut did not buy as much when they were recouped. He said stormwater ditches would eventually go away, which would have major impacts on the community. He wondered if relationships should be formed with RTC to maintain and upgrade roads but questioned whether the roads would be maintained properly. He mentioned a previous project that RTC contributed money for and noted the money had not gone far. He explained Nevada Department of Transportation (NDOT) recognized many people had moved to electric vehicles and were no longer paying the gas tax, which paid for roads. Commissioner Jung said tire tax could be used to pay for road maintenance. Chair Hartung opined the Board needed to set priorities and give direction to staff.

Chair Hartung envisioned a tax bill with line items, so citizens knew what they paid for. Commissioner Jung said she loved the idea and added that it could be done as a County service without going to the Legislature. She opined if people saw where their tax dollars went, they would be more realistic when they asked for changes.

Chair Hartung explained his idea involved asking the legislature for a more regionalized procedure that involved an indexing process and line items on tax bills. Ms. Olsen remarked she would add Chair Hartung's idea of direct funding mechanisms to the parking lot section of her worksheet for the session. Commissioner Lucey agreed with Chair Hartung that citizens were unaware of where their tax dollars went and thought the service could be provided without going to the Legislature. He opined it would be difficult to navigate the issue at the Legislature. He thought providing itemized tax bills could be a doubled-edged sword that would potentially lead to criticisms from citizens who disapproved of how the money was spent.

Ms. Olsen asked if the matter could be parked, and the discussion returned to infrastructure. She suggested the Board talk through each of the four infrastructure categories to stay on topic. Mr. Solaro asked for priorities from the Board regarding the infrastructure scorecard, and he wondered if there was a letter grade the Board wanted to improve on. He noted staff would figure out the strategic part of it and return to the Board with options for action. He gathered from the discussion that the Board wanted to focus on funding, future need, and operation and maintenance.

Chair Hartung said when the Board had previously stated their priorities, they were told the funding was not available. Commissioner Lucey asked Mr. Solaro what he thought was important. Mr. Solaro heard from the community that parks and stormwater were priorities. He thought the County could make progress in those areas.

Commissioner Jung expressed her appreciation for the information and said she trusted the data and the staff experts. She commented her direction to staff was to use the map, comments from the community, and comments from the Board on their values. She commented F's and D's did not pass and said if the Board needed to do something to change those, staff should come to the Board with potential ideas. She thought it was most important to begin working on regionalization by making deals with the RTC and the Cities of Sparks and Reno. She believed the RTC could give more money and wondered why the RTC did not fund more local streets, which would save the County's general fund. She opined there was always a way to do something cheaper, more efficiently, and with more regionalization.

Commissioner Lucey said he trusted the team and noted the infrastructure scorecard told him which way the County was headed. He said the F's, D's, and C's needed to be fixed but he wanted to make sure the A's and B's did not slip. He said the County would have to be innovative to maintain the areas where it was successful, while also identifying new processes to bring the lower grades up. He agreed with Commissioner Jung that the entities needed to work collectively and there should not be a power struggle between them. He thought it would not matter how innovative the County was until the power struggle issue was resolved.

Vice Chair Hill noted the County was ranked higher than other communities and commended the staff for their work. She thought the County had a great opportunity, between the infrastructure bill and ARPA, to invest in the top four issues to get the County closer to a B plus grade. She was excited to see what proposals staff would bring forward.

Chair Hartung stated he and Commissioner Lucey asked for \$3 million from the RTC and they got \$300,000. Commissioner Jung said even \$3 million was a pittance. She thanked Chair Hartung for his creative thinking in the matter. Chair Hartung said the annexation issue would merit a workshop on its own. He thought the County had to be careful with annexation because if the Cities of Sparks and Reno annexed property and it stayed out of the County's jurisdiction for too long, it could be problematic for the County when it was reannexed back into the County's jurisdiction.

Commissioner Lucey commented the Cities of Sparks and Reno put stormwater in their sphere of influence but did not put in the infrastructure needed for the costs, so the costs came back to the County. His concern with the annexation was that there would need to be compliance from the Cities of Sparks and Reno for it to work. Chair Hartung commented sphere of influence and annexation were two different things.

Ms. Olsen asked Mr. Smith and Mr. Crump if they had any follow-up questions or if they needed further clarification on any of the issues. Ms. Olsen said she recorded the key points expressed by the Board. Mr. Crump appreciated the comments from the Board and said he had plenty of notes. He was happy the Board recognized it was the first time they had seen the dashboard, and he noted CSD had worked on the information and building the business intelligence program over the past two years. He explained the information would continue to mature.

Commissioner Lucey opined the Board had given direction regarding how to proceed and wondered about the execution and how things would be prioritized. He asked staff to return to the Board with updates regarding the execution plan throughout the year. He thought it was great to have a strategic plan and direction but thought they were worthless unless there was execution. He said he had seen more execution in the past two years with the current management than he had seen in his entire career with the County.

Chair Hartung thought the funding coming to the County needed to be invested wisely to compound the money, rather than using the funding to do temporary things. If longer term funding sources were needed, he asked that staff have those conversations with the Board. He thought building costs were high and said that had to be kept in mind. He opined quality of life would not be good if people were overburdened and did not have money.

Mr. Solaro said they had great plans for parks and explained the capital costs to create a park was one piece of it, but the ongoing maintenance was problematic. He thought using grants for funding could get the County into a position where they were burdening themselves in the future. Staff, he explained, had many discussions regarding how to appropriately grow and create sustainable funding for maintenance. He said sustainability would be part of the plan staff brought to the Board.

Chair Hartung noted in the past the libraries had a difficult time with funding, so a group of people created a model called the Friends of the Library to help fund the libraries. He wondered if a citizens group could be encouraged to come up with innovative funding strategies that benefitted the community. Commissioner Jung mentioned staff was updating the code on the Parks and Open Spaces Commission (POSC) and thought the formation of a citizen's group should start with the POSC. She said the POSC was dynamic, connected, and invested. She commented she was happy to take the idea to them.

Commissioner Lucey thought public-private partnerships could benefit parks and facilities in the County, and the Reno High School was a perfect example of that type of partnership. Vice Chair Hill said a good model to look at would be the Bicentennial Park in downtown Reno, which had been adopted by the Downtown Reno Rotary.

On the call for public comment, Mark Neumann said out-of-state contractors came in and built homes without helping the infrastructure. He noted Highland Ranch Road and Pyramid Highway was flooded the last time it rained. He asked the Board to have the out-of-town developers contribute more towards infrastructure to help the County.

10:45 a.m. The Board recessed.

10:59 a.m. The Board reconvened.

5.B. Homelessness. Determine the approach for the ongoing and future funding requirements.

Erica Olsen, Chief Operating Officer and Co-Founder of OnStrategy and acting as facilitator for the workshop, said the next topic would be determining the future funding requirements for homelessness services. She informed Special Projects Manager Dana Searcy would provide some background and go over the two parts the team was looking for direction on.

Manager Eric Brown reminded that the Board gave direction to staff at the previous year's strategic plan workshop for the County to take a lead role in the management of homeless services for the region. He commented Ms. Searcy would give a presentation of the major events that had unfolded since then. He pointed out the acquisition had been an evolving process and staff had done their best to keep the Board updated on anticipated costs; however, the costs were a moving target.

Mr. Brown explained since the County assumed responsibility for the Cares Campus facility, they had been working with vendors to understand the true costs for construction. He thought it was important, as they looked towards the next budget cycle, to relay the capital and operating cost estimates to the Board. He said they saw an escalation of costs in construction and operation of the facility in the short time since the facility opened in May. He thought staff had a good handle on the project and asked for the Board's strategy going forward.

Ms. Searcy reviewed the Washoe County Regional Homelessness Plan handout, a copy of which was placed on file with the Clerk, and said it showed what the team had been working on and how success was measured. This document, she commented, would be shared with the Community Homeless Advisory Board (CHAB) at their next meeting.

Ms. Searcy conducted a PowerPoint presentation, a copy of which was placed on file with the Clerk, and reviewed slides with the following titles: The Need; Homeless Services Transition; Safe Camp Success; Cares Campus Opportunity; Care Campus Operations Budget; Emergency Shelter Operations Budget; Cares Campus Construction Needs; Care Campus Construction Budget; Seeking Direction on Construction; and Seeking Direction on Cares Campus Operations Budget.

Ms. Searcy noted capacity had tripled in the last 18 months between Our Place, the Cares Campus, and the safe camp. The previous night an overflow shelter had been opened with an additional 52 beds and it was already full, she commented. She said the Cares Campus had researched staffing needs, budgets, and what future construction phases would look like and cost.

Ms. Searcy noted when the idea of the safe camp was originally discussed, there had been apprehension because it was a new idea to the region. She mentioned the County's safe camp was focused on housing outcomes and said the only requirement to

stay at the safe camp was a commitment to work on a housing plan. She explained 60 percent of people at the safe camp had moved on permanent destinations; she thought that was an amazing statistic.

Ms. Searcy said they were taking the safe camp information they had learned and applying it to the Cares Campus to focus on outcomes and permanent housing, to prevent the camp from becoming a destination for individuals. Jon DeCarmine, she noted, was a recommended source from the Oracle Report to help with policy work at Our Place. She explained he operated one of the only facilities in America with a low barrier shelter alongside a safe camp.

Ms. Searcy mentioned 71 percent of the budget for the Cares Campus was staff, which meant staff and expenses would be reduced as the amount of people experiencing homelessness was reduced. The Alliance to End Homelessness estimated the cost of the average chronically homeless individual was approximately \$35,000 a year. She explained the County saw benefits in the region due to the creation of a well-functioning campus that was focused on permanent housing destinations.

Ms. Searcy asked for affirmation from the Board that the Cares Campus construction was moving in the right direction. She informed the design was meant to be very flexible with sufficient capacity and services on site. She said they were working on how to separate the population of 600 into several different smaller shelters, as research had shown the best practice was small groups that were spread out. She commented one of the challenges was how to create spaces that moved towards the housing outcomes they looked for.

Mr. Brown emphasized that the Cares Campus was on a ratio-based operating budget, which meant the span of responsibility for shelter and case workers was kept within industry standards. He noted that was not what had previously occurred at the Record Street shelter. He thought the ratio-based operating budget was vital to helping people transition to permanent housing. He said he was pleased with Karma Box's accomplishments, but the challenge was how to move it into a shelter environment. He wondered how to model the successes at Our Place and the safe camp across the organization. He thought it was key to create an organization where the County institutionalized what they learned.

Ms. Olsen informed the staff was looking for discussion and direction on construction and the operating budget for the Cares Campus.

Vice Chair Hill thanked Ms. Searcy for her presentation and said it helped the Board understand problems and how to solve them. She noted it was tough to see the increase in cost, but she was pleased with the outcomes. The safe camp, she explained, was safer than the Cares Campus because relationships had been created due to the size of the program and the case worker ratios. She thought the Board showed leadership by committing some of the American Rescue Plan Act (ARPA) funds to case workers, but she

was concerned that case workers could not be hired unless they felt the County was committed to the program.

Vice Chair Hill commented the emergency shelter had become a norm in the community and Covid-19 had increased the number of people who could not afford to live in the community, even with jobs. The case workers, she opined, would be able to reduce the emergency support the County used over time. She hoped the Board would hold staff accountable for reducing the number of people in emergency shelters, and she wanted to see emergency shelters for emergency situations only.

The system the County had put into place was the way to fix the issue, Vice Chair Hill remarked. She noted the built for zero model had been used throughout the Country, and communities the size of Washoe County had gotten rid of chronic and veteran homelessness. She believed the social and case workers would be able to get the chronic homeless people housed if the Cities of Sparks and Reno and the County were held accountable for affordable housing. She said she was in full support of what staff had put together. She hoped her comments helped the Board understand the increases in cost, and she assured that some of the costs would not be ongoing.

Commissioner Lucey said each inmate at the jail cost the County \$171 a night to house, and the jail only had capacity for 1,400 individuals. He recalled the Record Street shelter had challenges with overflow and the County established Crossroads to deal with serial inebriates and those trying to get help with programming. He wondered how many people the \$16 million Cares Campus operations budget equated to.

Ms. Searcy responded the \$16 million equated to 605 people every night at the Cares Campus. Commissioner Lucey said the County created capacity and was no longer putting the homeless in jail, but the same cost issues were present by keeping them at a safe camp. He thought it was important to provide shelter to the homeless but said the County needed to focus on programming. He thought the Volunteers of America (VOA) had done a disservice to the County by not stepping up and following through. He said there was no leadership at the VOA, a lack of an intake process, and the building had not been done right. He alleged the process had not been correct until Ms. Searcy, Ms. Howell, and Mr. Brown got involved.

Commissioner Lucey thought the managed care organizations (MCOs) played a major role. Mr. Brown clarified the MCOs in Nevada were Anthem, Health Plan of Nevada, Silver State, and Molina. Mr. Brown said the County needed the help of the MCOs to enroll the homeless populations for health cost reimbursements. Commissioner Jung said due to the Affordable Care Act, the MCOs made sure the homeless were insured so the County could recover money.

Commissioner Lucey said former Washoe County Assistant Manager Kevin Schiller and Chairwoman Marilyn Kirkpatrick had been active in recovering costs from the MCOs in Clark County. He said recovering costs from the MCOs had not been under the County's guidance and jurisdiction in the past, but it now was. Ms. Searcy and Manager

Brown, he noted, had developed relationships with the MCOs to recover costs. He thought the issues had started with the VOA failing to complete intake forms to identify individuals that could be registered.

Commissioner Lucey said the County was not doing a service to the homeless if they only provided a roof over their heads. He commented the County had spent a lot of money on studies with the results always being the same: implement strong housing programs and overhaul case management. He noted case management used to be non-existent in the County and had never been done until now.

Commissioner Lucey relayed Reno City Councilman Oscar Delgado's statement that it was great affordable housing and transitional housing was being built, but it was so far out of town and away from work centers that people did not want to utilize it. Commissioner Lucey believed in the work the Cares Campus and the safe camp did and thought the County needed to continue to move forward in that direction; however, the County also needed to have more accountability with the partners and providers in the region.

Commissioner Lucey mentioned the County had started an affordable housing trust fund, but it had not yet been funded to the level needed. The County, he thought, should focus on procuring true transitional housing where individuals had access to workplaces. He said the County was headed in the right direction but was missing the steps to facilitate transitional housing. He noted the point-in-time counts had almost quadrupled over the last three years and opined they had not been done correctly or many people were suddenly homeless. Homeless individuals, he commented, had moved into new areas and were everywhere across the region because it was easier for them than going to the shelters. He said the regional partners needed to identify who was doing what so resources could be compiled. Diversionary tactics, he said, had not helped regarding the homeless issue because those who wanted help stayed away and the system was being taken advantage of by some individuals.

Chair Hartung commented it had been proven that incarceration was not an effective way to deal with the homeless problem because people immediately went back on the streets after being released. He agreed there were cross-jurisdictional issues and duplication of services was occurring. He thought the County needed to have discussions regarding the creation of a team, like the gang unit, who was called out regardless of which jurisdiction the incidence took place in. Commissioner Lucey reminded the County had the Mobile Outreach Safety Team (MOST). Chair Hartung said Sparks had their own team. Commissioner Lucey opined MOST worked with the Sparks Police Department and Reno Police Department often, and he thought the issue was a lack of staff.

Chair Hartung asked how the 71 percent staffing in the budget for the Cares Campus compared to the national model. Ms. Searcy replied she did not have the percentage but said the appropriate staffing ratios were 1 to 10 with high needs individuals, 1 to 30 for case management, and 1 to 25 for frontline staff in the building. She stated the focus for the workshop was the Cares Campus because they needed support. She said the

Washoe County Regional Homelessness Plan handout was regarding the coordination of services across the region. The regionalization work had been started but would take time. The outreach teams came together to discuss where support was needed and who could provide support; the information was then taken to the case workers and service providers who had collective knowledge and resources to help people. This, she believed, would ensure people were not bounced from one resource to the next. She believed the regionalization work was the long-term effort that would change the way the community addressed homelessness.

Chair Hartung asked if staffing needs would change with the implementation of smaller facilities. Ms. Searcy answered the ratios would not change but staff found that the more individuals they had under one roof, the more complex things became. The same ratios at Safe Camp also applied to the Cares Campus. She said the new construction plan would have six smaller shelters, rather than one large building with a 600-person capacity. This, she explained, would make it easier for the employees to have relationships with individuals and keep a closer watch on activities. She said the individuals would feel a sense of calm in smaller environments and staff would be able to focus more on housing instead of breaking up fights.

Chair Hartung said the concept of one grand place where everyone stayed became difficult for security to manage. He thought the County needed to look at how to better serve each population. He opined there were people that would never leave the system and they needed to be dealt with separately. He applauded staff for getting individuals registered so the County could recover costs for healthcare. He stated he did not want the shelters to be a revolving door because it was a huge financial burden that could not be sustained.

There was a point, Commissioner Lucey said, where the problem would get too big to control and become cost prohibitive. He opined the problem had to be stopped by using diversionary tactics to help people get out of shelters and into housing. He thought the operations of the shelter had been resolved, and now diversion through programming needed to happen to get people back into society and prevent them from getting back into homelessness.

Chair Lucey said there was a group of people in the County whose situations had deteriorated because of the cost of housing. He mentioned those were the people who needed help because they were typically gainfully employed. He opined if they were not kept out of the system, then it became difficult to get them out of the entrapment of homelessness. He commented he did not know what the solution was, but he was confident staff was on the right track. However, he did not want to continue to spend the amount of money that was currently being spent because it was unsustainable.

Vice Chair Hill asked for the perspective of the Board regarding the Community Homelessness Advisory Board (CHAB). She wondered if the County wanted to continue to receive money and work with the Cities of Sparks and Reno, or if the County wanted to have its own program and solutions. She loved working regionally but thought

there were problems with the CHAB due to budget restraints and limitations of the Board to oversee services. She commented the CHAB was helpful as an informative tool for citizens, but she thought it created difficult situations when the Cities of Sparks and Reno dictated instructions to County staff.

Commissioner Lucey said CHAB no longer served a purpose and the Board had to get rid of it. He commented if the County was going to collect money from the Cities of Sparks and Reno, then the Cities needed to participate. He thought information should be given to the public by the County, and comments should be given at the Board of County Commissioners' (BCC) meetings. He said CHAB had become a place for individuals to complain once a month and did not benefit the County. He felt CHAB was an advisory board that had zero direction over whether the Cities of Sparks and Reno would change their funding allocations. He believed the organization of the meetings was taxing on staff and the issues should be handled by the BCC agenda.

Chair Hartung thought it took staff a large amount of time to manage the CHAB meetings. Vice Chair Hill thought the Board needed to decide if the County wanted to take on the full costs or work with the Cities of Sparks and Reno to share the costs. She said it was good the Cities of Sparks and Reno contributed to the CHAB and thought it made them more active participants. She was divided about how to proceed. Commissioner Lucey said concurrent meetings, which the County has had before, were a way to work collectively with the Cities of Sparks and Reno regarding the homelessness issue. Commissioner Jung commented a concurrent meeting was desperately needed.

Commissioner Lucey said the decision to create the CHAB happened during a collective meeting in 2021. The CHAB, he commented, was created for guidance and brainstorming; but had lost that direction. He opined if the County was looking for direction and money from the Cities of Sparks and Reno, then a concurrent meeting should be held. He thought for an issue like homelessness, the County needed to spend more time on execution because the planning process had already been done.

Vice Chair Hill asked if there was an assumption by the Cities of Sparks and Reno that they had oversight of the CHAB. She wondered if a renegotiation was needed to make expectations clear. Mr. Brown said Reno City had expressed a desire to get out of its obligation to assist with homelessness and that in exchange, they would focus on affordable housing. He had not spoken with Sparks City about their future relationship with the County regarding homelessness. He said the interlocal agreement would expire in June. On the Board's direction, Mr. Brown could speak with the managers of the Cities of Sparks and Reno regarding the next steps for homelessness. He said if the Cities of Sparks and Reno continued to share costs, then they would expect to have input.

Vice Chair Hill thought the Cities of Sparks and Reno paid a small portion in relation to the County. She informed that Sparks City paid 10.19 percent, Reno City paid 22.44 percent, and Washoe County paid 68.37 percent. Her understanding was the County could handle the entire portion so Reno City could focus on affordable housing. She

thought affordable housing was important to ensure the County could relieve emergency shelter needs.

Chair Hartung was afraid to cut the Cities of Sparks and Reno loose, and he thought the Board needed to come up with a better way to work. He wondered if the solution was to give the CHAB a budget. He said the 34 percent the Cities of Sparks and Reno were paying was substantial and noted costs would not get cheaper in the future. He did not think cutting the Cities of Sparks and Reno loose would solve the problem. He agreed that the CHAB had outlived its usefulness, but he thought it was important to find a way to get assistance and participation from the Cities of Sparks and Reno. He commented homelessness was cross jurisdictional and needed to be dealt with regionally. In his opinion, the bulk of homelessness occurred in Reno City.

Commissioner Lucey said there were too many regional partners trying to accomplish the same thing. He mentioned a memorandum of understanding could be done that stated the Cities of Sparks and Reno would focus on affordable and transitional housing, and the County would make homelessness its priority. He said the County had the housing trust fund but did not have land in the unincorporated County for housing. The County's staff, he explained, could utilize the land the Cities of Sparks and Reno provided to place individuals into affordable transitional housing. He thought the housing the Cities of Sparks and Reno provided could have a private operator, such as Karma Box or the Catholic Charities.

Chair Hartung asked if jurisdictional ordinances, like panhandling, could be dealt with. He thought the County needed to go after the individuals who gave the panhandlers money. He empathized with the individuals who felt sorry for the panhandlers but said they were enabling the panhandlers. The panhandlers, he opined, did not spend the money they were given on groceries because they knew they could go to St. Vincent's or the County for food; they used the money for drugs and alcohol. He noted many cities had enacted ordinances against things like standing in the middle of the road. He suggested County ordinances against panhandling.

Commissioner Lucey agreed with Chair Hartung regarding panhandling being an issue, but he thought it should be discussed later by leadership. Chair Hartung said there would need to be cross ordinances regarding panhandling. Commissioner Lucey opined the Board needed to start with the foundation and the building, then give all jurisdictions their tasks. Once that was done, he explained, then the cross jurisdictional ordinances and programming could start. He thought the focus was to identify emergent shelter, address homelessness and transitional housing, and get the point-in-time counts down. He felt human nature could not be changed in a day, and a foundation needed to be in place before law enforcement could decide to enforce ordinances.

Chair Hartung suggested there were enabling factors that needed to be addressed to solve the homelessness problem. He opined there were homeless people that would be in the system forever. He thought getting individuals off drugs and alcohol was the first step, then the underlying issues could be dealt with. He said panhandlers made more money panhandling than they could make at a job. He knew the problem was complex

and noted his frustration that the Board continued to throw money at the problem. He opined the more shelters that were built; the more homeless individuals would show up in the County.

Commissioner Lucey said the Board was frustrated but noted more progress had happened regarding the homelessness issue in the past year and a half than had ever happened before. Chair Hartung said it came down to accountability, and Commissioner Lucey agreed.

Commissioner Jung opined it came down to investment, as well. The County, she said, did not have federal help before now. She said the issue had been going on for the past 40 years without being addressed, and changes would not happen overnight. She thought what the Board was doing now was different than previous failed attempts, and she felt all the constituents wanted was for the Board to try something new. She said it was the first time the County tried something innovative and outcome based, and noted things were not always successful on first attempts.

The County, Commissioner Jung opined, needed to be clear regarding what they wanted to invest in. She agreed with staff who said the amount of people in emergency shelters was at its highest now, and the next step was to find housing. She thought housing would have to be done through a collective community effort, and she opined the Reno Housing Authority should be involved in the process.

Commissioner Jung agreed that the CHAB served as a place for misinformation and mass hysteria. She thought Vice Chair Hill, who was the chair of CHAB, and Mr. Brown needed to decide if the CHAB was working because they were the subject matter experts. She thought a benefit of the CHAB was the elected officials who served on the board had a stake in the issue and were subject matter experts.

Commissioner Jung agreed with Chair Hartung that those who gave money to panhandlers were a problem now that the County had shelters for the homeless to go to. She reminded the Board added shelters for the homeless because the Constitution had been interpreted to say someone could not be arrested for sleeping in a public place if there was no place for them to go. Law enforcement, she explained, could now put a homeless person in jail if they were a disruption to the community because there were shelters.

Commissioner Jung wanted to hear from the subject matter experts regarding next steps in the matter and what could be done about the large number of people who could not afford to live in the County. She did not want to live in a community that only rich people could afford. She wondered if the County should tell the Cities of Sparks and Reno to keep their opioid money and give them performance standards of the amount of people coming out of shelters who would need housing. She thought affordable transitional housing was important to have in place, so the emergency did not keep expanding with no end in sight.

Ms. Olsen reminded there was an item regarding affordable housing on the agenda next.

Chair Lucey said the Board had taken lead over operations regarding the homelessness issue and much had been achieved. He thought the County staff put in a lot of effort, but the time had come to focus on diversion and work on memorandums of understanding with the Cities of Sparks and Reno. He opined the missing piece was transitional housing, and the County could not provide it without the assistance of the Cities of Sparks and Reno. The relationships with the MCOs needed to continue to be developed so the County could rely on them for funding, he explained. He said Anthem had money set aside for programs that were needed in the County, and he noted Southern Nevada had utilized money from Anthem in a similar way.

Vice Chair Hill thought a decision had not yet been made regarding shared costs, but she suggested the County continue cost sharing while figuring out a better way than the CHAB to communicate regarding homelessness issues. She proposed benchmarks be set for the County and the Cities of Sparks and Reno to ensure accountability. She noted the discussion had been one of the best she has had with the Board, and she was excited to move forward on the issue.

Chair Hartung clarified his feelings that it was not a crime to be homeless. He felt homelessness was a condition that should be temporary. He looked forward to direction from staff regarding the issue, and he wanted the County to get to a point where homeless individuals were taught how to reassimilate themselves into society.

There was no response to the call for public comment.

12:18 p.m. The Board recessed.

1:18 p.m. The Board reconvened.

22-0089 5.C. County's Role in Affordable Housing.

Manager Eric Brown said the Cities of Sparks and Reno indicated they planned to take the lead regarding affordable housing in the region. He informed the presentation from Housing and Grants Specialist J.D. Klippenstein would clarify the definition of different categories of housing. He wanted staff and the Board to use the same terminology when discussing the matter. He said Special Projects Manager Dana Searcy's previous presentation and discussion from the board showed the priority was the transition of people from shelters to a sustainable solution. Staff, he informed, asked for direction from the Board on what efforts to prioritize.

Mr. Klippenstein conducted a PowerPoint presentation, a copy of which was placed on file with the Clerk, and reviewed slides with the following titles: Seeking Direction; What is affordable housing; The Need; Housing Continuum; and Increasing Affordable Housing Options. He said housing that was affordable was about 30 percent of

the household's gross income. Mr. Klippenstein noted the focus of the conversation would be on households that made at, or below 60 percent of the area median income. That amount was considered low income by the Housing and Urban Development standards. He said many residents who worked in the service industry made the low-income amount.

Mr. Klippenstein said the affordable housing amount was taken directly from the Enterprise Plan, which the jurisdictions created in 2019. The County was around 25,000 units short of affordable housing for low-income renters. He thought the gap was significant and noted Nevada had the biggest gap of affordable rentals for low-income residents in the Country. He acknowledged the Board's comments and said the issue would take serious investment.

Mr. Klippenstein asked for discussion to determine the County's role and noted the way the County interacted with regional partners was key. He said the four categories listed on the housing continuum slide required different approaches to building and sustainment. Special needs and assisted housing, he commented, were the kind of housing that had been discussed earlier in the meeting regarding homelessness. He wanted the Board to think about how the County would play a role regarding financial support and policy. He said there was a broad need for funding, as well as policies to support it. He noted the County could play a role in affordability that would involve policies to incentivize new housing.

Chair Hartung said he would like to discuss what policies would help with affordability because that was not a new problem.

Mr. Klippenstein reviewed the Affordable Housing Financing Landscape handout, a copy of which was placed on file with the Clerk. He said the handout was a broad overview of the current system in place to build low-income affordable housing. The handout, he explained, reviewed the different jurisdictions from the national level to the local level. He added that staff had several potential policies to discuss with the Board.

Given the role of the County and the possible strategies that could be implemented, Mr. Klippenstein said he was looking for direction from the Board on action the County could take. He opined the pandemic exacerbated the affordable housing need.

Chair Hartung opined the 25,000 units the County lacked in affordable housing for low-income renters was a huge amount. He said the challenge with the lands bill was that affordable housing needed to be close to resources like shopping and transit. He thought the Regional Transportation Commission (RTC) would have to be involved in planning to provide transportation to the areas where affordable housing was built. He talked about his personal experience working for a casino that built an apartment complex for employees to rent at a discounted price. He wondered why the Board did not approach the major employers in town to discuss housing options. He noted the challenges would be steep when building affordable housing.

Regarding policy incentives and impact fee waivers, Vice Chair Hartung wondered about the effect if the County gave up the impact fees. He asked what the cost of a new home was. Mr. Klippenstein said the median sales price was \$550,000 in the Cities of Sparks and Reno. Vice Chair Hartung asked Mr. Solaro if the impact fees accounted to 10 percent of the sales price. Mr. Dave Solaro, Assistant County Manager and Director of Community Services Department, thought the amount was around 10 percent. Chair Hartung said the hard costs could not be waived; however, he thought the cost of housing could be lowered through waiving impact fees.

Vice Chair Hill worked with a developer who was doing a project in Sun Valley; the developer said they would see a difference if the County helped support even a fraction of their impact fees. She said the developer had asked the Sun Valley General Improvement District to delay some of their fees. She thought it added up to a reduction in costs to the developer. Chair Hartung said when the economy turned down and started to go back up, the Regional Transportation Commission delayed their impact fees, and the Truckee Meadows Water Authority's connection fees were waived for a period. He commented he would like to see an actuarial on what the fees would encompass and what costs would be.

Vice Chair Hill said the Affordable Housing Trust was put together by the Board to support development projects, and perhaps give partial grants on some fees; those fees would then go back to the County.

Mr. Klippenstein said every affordable housing project developed in the County had received some benefit from the ideas on the Affordable Housing Financing Landscape handout. He said there was not a single project that was funded solely by one source. He explained the number by itself might seem small when impact fees were waived, but it had a cascading effect because it let the other dollars work differently. He referred to the Sun Valley project Vice Chair Hill discussed and said the numbers the developers sent to him amounted to \$22,000 in savings per unit; it would save the developers \$850,000 if the impact fees were waived on that project. He said the tools on the Affordable Housing Financing Landscape handout all worked together to get the capital sack to be more attractive and feasible for developers to bring more units to the County.

Chair Hartung asked if staff sought input to make sure people had a place to live or input regarding how to help people with a path to ownership. Mr. Klippenstein responded both and said there was a huge need for low-income rentals, but the same tools used to build affordable rentals could be used for home ownership opportunities. He said other policies lowered the cost of entry to home ownership to ensure equity was built and passed onto future homeowners in the area.

Chair Hartung said many young homeowners carried large student debts, and he wondered if there was a way to help them add the student debt onto their mortgages. He opined it would give them a lower interest rate and make their payments less.

Vice Chair Hill thought there was a regional approach to affordable housing, especially because the County had the affordable housing trust fund. She said there could be a way for the affordable housing trust fund to help with grants on a region-wide basis. This, she commented, would keep the region coming together to support each other.

Commissioner Jung said it took everybody working together instead of a duplication of services. She opined it was a great idea to create an affordable housing board for stakeholders. She said the Community Homeless Advisory Board (CHAB) kept people up to date on data and best practices.

Chair Hartung said he was the recipient of an affordable housing grant at one time. He said tools like offering low interest rate loans were no longer an option because interest rates were already low. He liked the idea of getting major employers to step up regarding workforce housing. He opined the County might need to force employers to step up, but that needed to happen since the employers were the ones who benefitted from their employees.

Vice Chair Hill thought involving the major employers in affordable housing was a good idea and said it could be part of the new committee the Board had discussed. She thought the major employers should be brought together to discuss how they could support the County. She said employees of the major employers were the backbone of the community, yet they did not make enough money to live in the County. She believed the State of Nevada also had low wages for some of their employees, and she thought it would be interesting to see how many employers did not pay enough for their employees to live in the community.

Chair Hartung asked Mr. Klippenstein if he had approached the Grand Sierra Resort (GSR) regarding affordable housing. He believed the GSR had started efforts towards workforce housing. He said the owner of the GSR had worked his way up from nothing, so he understood the need for affordable housing. Mr. Klippenstein had not spoken to the GSR in his current role with the County, but he was aware of conversations the GSR had regarding their efforts towards workforce housing. He noted the policy toolbox was limited, and said he was looking for direction from the Board to expand the policy toolbox. This, he explained, would allow him to give more options to citizens who came to him with ideas for affordable housing.

Vice Chair Hill thought there was an opportunity for the County to play a role regarding the policies listed under affordable on the housing continuum PowerPoint slide. For example, she said, the County paid for a study at Incline Village and Crystal Bay because service industry people could not afford to live or commute there. The study showed the County needed more tools for developers, she commented. She had been approached by developers who wanted to help with affordable housing, but the County needed to help and support them.

Mr. Brown informed the County's most immediate need was special needs. He said the Housing and Homeless Services Agency was recently started and they would work towards immediate relief at the shelters to avoid the revolving door of homeless individuals. He asked for direction from the Board on what the County's focus should be, and said he believed the County needed to look at the priorities of the Cities of Sparks and Reno versus the priorities of the County. He said operational issues needed to be figured out rather than broader policy like the Board was discussing. He thought the ideas the Board spoke about were important but noted the immediate need was finding affordable housing for those in the shelters.

Chair Hartung opined the Board needed to start thinking about transitional housing, and he brought up an idea he saw for three-dimensional printing of houses. Vice Chair Hill felt comfortable with the priorities Mr. Brown outlined. She hoped the County would continue to build on workforce policies for the parts of the County that were not affected by the policies of the Cities of Sparks and Reno. She thought the County should focus on getting people out of the shelters and into housing; this would reduce shelter costs and enable the County to focus on quality-of-life initiatives.

Ms. Olsen said the discussion was on the right track and wanted to see where the conversation would go. Chair Hartung asked if parcels had been identified where housing could be placed. Mr. Brown replied that had not been done, except for property on the western third of the Cares Campus that was available to build housing. Mr. Klippenstein said he worked with Division Director of Operations Eric Crump to identify other County owned parcels that could be available.

Chair Hartung asked if staff had looked at the area near the County building and noted the land was not used wisely in that area. He said he did not want to displace anyone, but he thought there were many single-family dwellings that should be multiple floors of dwellings. He did not see many options for building inside the core of the County.

Ms. Olsen mentioned she would like to hear from the rest of the Board about Vice Chair Hill's proposal on the County's role.

Commissioner Lucey felt the County was still in an infancy role where the need had been identified but the solution had not been found. He thought the actions the County had taken were the right actions and noted it would take years to put a plan together. He opined it was tough to execute a plan without all the tools, such as land bills and obligations from the Cities of Sparks and Reno. He commented there needed to be more strategic planning on placement of the communities to be sure they were close to jobs and resources. Until parcels had been identified and the Cities of Sparks and Reno were on board with the plan, it would be tough for the County to do anything different.

Vice Chair Hill thought there was an opportunity to supply the affordable housing trust fund at a higher level with the American Rescue Plan Act (ARPA) money. She said the ARPA money could be a way to quickly kickstart affordable housing, and she noted the Cities of Sparks and Reno had looked at using the money for that purpose. She

commented there may be a way to leverage state ARPA funds through the Nevada Housing Coalition. She opined the County being 25,000 units short of affordable housing was an issue that needed to be worked on immediately.

Commissioner Jung wondered if the Board's discussion was about action on a macro level. Mr. Klippenstein responded that currently staff was looking for direction to take. Staff would take that direction and come back to the Board with ideas later. Commissioner Jung mentioned the matter was of high importance to her and expediency was critical to ensure the shelters were not a revolving door. She noted if there was no place to put people, they would end up back in the shelters.

Chair Hartung asked if staff looked at occupancy rates of industrial warehouses to turn into affordable housing. He understood it was not zoned for residential housing, but he thought there were opportunities for affordable housing. He asked if there had been discussion with regional partners about potentially turning warehouses into affordable housing. Mr. Klippenstein said there had not been any analysis on that idea. He thought it fell into the better leveraging existing resources category. He mentioned one of the partners the County had considered working with in Clark County had converted an old Super Kmart into 600 units of supportive housing.

Commissioner Lucey commented the discussion needed to be kept at a macro level and expediency was the most important thing going forward. He thought workforce development in the County was important. He said a limiting factor when enticing companies to the County was housing for companies' staff. With a \$500,000 median house price in the County, he explained, those making a starting warehouse wage would be incapable of paying substantial rent. The large companies, like Tesla and Panasonic, had to be part of conversations regarding affordable housing. He commented that even if a property was found today, a deliverable would not happen for another 12 to 24 months. He thought relationships like NV Works and Economic Development Authority of Western Nevada (EDAWN) needed to be established to move forward.

Ms. Olsen said staff had received sufficient direction and asked if the Board would like to move on.

Assistant District Attorney Nathan Edwards wanted the Board to be aware of Nevada Revised Statute (NRS) 244.287, which allowed the County to give land for free to a non-profit corporation for development of global housing. He noted there could be terms and conditions imposed on the non-profit to get the land. Chair Hartung asked if the NRS presupposed the County owned the land and Attorney Edwards replied yes. Commissioner Lucey commented those opportunities were also in the land bills that Senator Jacky Rosen acknowledged as a priority to identify parcels for.

Chair Hartung said there was Bureau of Land Management property to the west of Pyramid Highway that could be easily tied into the transit system. Commissioner Lucey said the Board needed to focus on getting an initial project off the ground. He commented even if there were mistakes in the first iteration, that would enable the Board

to see where the failures were. Chair Hartung agreed that no plan ever survived first contact and thought there were opportunities for further discussion. He thought the Board had given staff plenty of direction on the matter.

Ms. Olsen suggested the Board return to homeless services regarding the operational budget and cost-sharing. Chair Hartung asked why the discussion was going back to homelessness. Ms. Olsen said the item was paused because the topic kept going back to the affordable housing issue.

Under the seeking direction on Cares Campus operations budget slide, Mr. Brown thought there was clear direction on item one. He noted the Board stated staff was headed in the correct direction regarding the operation of the Cares Campus. He said staff would bring an update to the Board once construction cost estimates came in. He commented the direction was clear regarding operation and strategies for reallocating space in the existing structure. Regarding item two, he asked if the Board wanted to continue a cost-sharing agreement with the Cities of Sparks and Reno.

Chair Hartung asked if the Board wanted to assume responsibility for the full cost. Commissioner Lucey responded no. Ms. Olsen asked if the discussion was regarding the operating budget or the construction. Commissioner Lucey responded he was referring to the operating budget. Chair Hartung explained the numbers would only continue to get bigger, and said he was not able to answer if the Board wanted to assume responsibility because he wanted to better understand the numbers associated with it.

Vice Chair Hill agreed with Chair Hartung and said she wanted to be sure the budget could allow the County to take the project on. She was open to the cost-sharing changing if the County was able to hold their partners accountable. She said if all partners did the work, then she was open to renegotiations.

Commissioner Lucey would consider reopening the interlocal agreement to discuss cost-sharing. He opined the County addressing homelessness would not be successful unless the Cities of Sparks and Reno addressed the affordable housing issue. He thought it was a net benefit for all parties if each entity made their primary focus one issue and a memorandum of understanding was put into place. He believed the homelessness issue was better suited under one entity that answered all the questions and held the other entities accountable for their part.

Chair Hartung feared the Cities of Sparks and Reno would relinquish their say in homelessness to focus on affordable housing and realize affordable housing cost more than what they had anticipated. Commissioner Lucey said there would have to be some investment from the Cities of Sparks and Reno, and they would have to be held accountable. He said indigent people were the County's responsibility, per NRS, and it was to the benefit of all entities if they worked together.

Chair Hartung was worried the costs would rise on all sides. Commissioner Lucey thought if the County built an honest system the initial expense may be high, but the

long-term costs would outweigh the process that was currently happening. Chair Hartung asked if the Board answered Ms. Olsen's questions. Mr. Brown replied yes.

22-0092 5.F. Outline of American Rescue Plan Act (ARPA) priorities including community reinvestment grant options, possible regional initiatives and partnerships and federal programs expanded by ARPA funds, as well as discussion regarding projects implemented, remaining departmental projects, and the Washoe County Budget and collaborative funding strategy

Manager Eric Brown said staff requested direction from the Board for the remainder of the American Rescue Plan Act (ARPA) funds that had not been reserved under the first tranch. He reminded there was a project list from the County departments when the first request for proposals was made, and many of the projects had been done; however, there were still needs from departments. He mentioned a lot had changed in the past six months, and the needs needed to be reevaluated. A funding source would be needed for additional construction costs anticipated for the Cares Campus. He communicated there could be additional opportunities to work with the State based on how they planned to allocate their funds. He explained meetings were held with the Nevada State Treasurer to articulate the County's needs, and he anticipated a follow-up discussion soon. He wondered how the priorities of the State would fit with the County's needs, particularly infrastructure and wastewater.

Community Reinvestment Manager Gabrielle Enfield conducted a PowerPoint presentation, a copy of which was placed on file with the Clerk, and reviewed slides with the following titles: Seeking Direction; Known Unknowns; Known Knowns; and Community Reinvestment Grants. She said the County had moved quickly to identify urgent needs for recovery throughout the County during phase one of the ARPA state and local fiscal recovery program. She noted the 23 internal projects that were allocated funding addressed public health or the Covid-19 (C19) economic impact, which included \$34 million for capital and service projects that addressed homelessness. She mentioned phase two was an opportunity to investigate, research, and analyze the needs of the County and the multiple funding sources available.

The Community Reinvestment Team, Ms. Enfield explained, was focused on maximizing the investment of ARPA funds to the community. She commented the County had submitted requests to the State for ARPA funding on various projects. Decisions for the County's ARPA funding were dependent on the funding received from the State. She mentioned many agencies throughout the federal government received increased funding for grant programs, which meant there were many discretionary grants the County could apply for. The Community Reinvestment Program would meet with the departments to gather information on needs, she said.

Mr. Brown said the Board had not had much discussion regarding community reinvestment; The Community Reinvestment Team was working with non-profits in the region for worthy projects and initiatives. He acknowledged many Board

members had been approached by non-profit organizations who requested consideration. He requested input from the Board regarding the types of organizations they wanted staff to consider.

Vice Chair Hill had been approached by many non-profit organizations in the community who supported those deeply affected by C19, such as senior and youth programs. She wanted to see the County invest in community reinvestment grants with the Cities of Sparks and Reno. She wondered how the Board felt about pooling money together with the Cities of Sparks and Reno. She asked if Ms. Enfield had received any proposals from the community. Ms. Enfield replied that process was not open yet, but the intention was to conduct a competitive open process for the community if the Board chose to do that.

Vice Chair Hill said she would like to see the County invest in the non-profit organizations that had been affected the most by C19. She supported 3 to 10 percent of the last tranche of money be set aside for them.

Commissioner Lucey commented the ARPA funds had been intended to stir the economy and bring communities hardest hit by the pandemic back to a sense of normality. Due to this, he did not see an issue with investment into community programming that would return some of the programs; however, he wanted to be cautious in spending money because there was not a clear understanding of where the County was headed or what goals the State had in mind. He opined it was important to think about potential employment challenges for the County employees when distributing money to departments.

Commissioner Lucey wanted to make sure the ARPA funds were invested wisely for things that would make money for the County. He noted the County facilities received C and D average scores and said those facilities had not been updated in years. He opined the community profited when the County reinvested in itself and its employees. He understood the money had to be spent by 2024, but he did not want to hand out money to every non-profit that had challenges. He reminded that the Cities of Sparks and Reno also received money and could help non-profits.

Chair Hartung asked if the money had to be spent by 2024. Ms. Enfield replied the money needed to be obligated by 2024 and spent by 2026. Chair Hartung agreed with Commissioner Lucey's statements about not wanting to hand out money to every non-profit. He asked what the real meaning of community reinvestment was and if infrastructure, such as sewer, could be built with the money. Ms. Enfield said the new rule had broadened the eligibility uses for the funding, and the funds could now be used for things unrelated to C19. Up to \$11 million could be used on general uses of government under the revenue replacement category, she said. She needed to research the legislation to see if specific uses, like sewer, were eligible.

Chair Hartung opined it would have been helpful to have a broad list of directions the Board could take. He felt that would help the Board see where the community needs were. Commissioner Lucey reminded the Board of the unfunded mandates that

would come out on July 1. He said there would be increased budgetary costs from the last legislative session, and he asked for the ARPA funds discussion to return to the Board closer to the time of the budget discussions. That, he noted, would allow the Board to be informed of any unanticipated budgetary shortfalls. He asked that Mr. Brown and the executive team bring investment options for the Board to decide on at that time.

Commissioner Lucey mentioned there had been different things that happened outside of the Legislature that were challenging for the County. For example, he learned from Human Services Agency Director Amber Howell that over the past year \$2.6 million in State Victims of Crime Act money was diverted from Washoe County to Clark County. Chair Hartung agreed with Commissioner Lucey that the matter should be brought back to the Board closer to the budget discussion. He requested a list of items the ARPA money could be spent on and a list of needs to fill budgetary gaps.

Mr. Brown reminded that staff had previously shared the ARPA funds original criteria for eligibility. He opined eligibility was often modified for federal grants, and he suggested there would be adjustments on the ARPA timelines due to supply chain and staffing shortages. He said staff could return to the Board closer to the time of the budget to see how the County stood. He noted that money was being spent to address legislative mandate issues in the courts and the District Attorney's office. He commented the initial direction of the grant was to fund things related to C19 or things that would help address the needs of disproportionately affected communities.

Chair Hartung asked if money that was spent out of the County's budget to bridge the shortfalls could be paid back with the ARPA funds. Mr. Brown responded he was unsure about that. Chair Hartung asked staff to do an analysis on expenditures the County made that could have recently become eligible for ARPA funds.

Commissioner Hill thought there were functions the County did not do that they could support a non-profit to do. She asked staff to research those categories. She wanted to see investment into non-profit organizations who could do things the County needed done. She thought reinvestment into infrastructure and facilities needed to be researched because of the failing grades the County received in those categories. She wanted to invest some ARPA money into the affordable housing trust fund. She thought the County needed to work with other agencies to get them to invest in affordable housing grants to support developers.

Chair Hartung agreed with Commissioner Hill that the County should research opportunities where dollars could be leveraged with community partners. He noted this was done with Truckee Meadows Water Authority and Keep Truckee Meadows Beautiful; Keep Truckee Meadows Beautiful did a better job at keeping the river clean than the County could. He opined if the County could not do as good a job as someone else, then the County should give the job to someone else.

There was no response to the call for public comment.

22-0091 **5.E. Outline of timeline for preparation of bill draft requests (BDRs) and process for approval of specific BDRs for Washoe County for the 2023 Nevada legislative session.**

Government Affairs Liaison Jamie Rodriguez conducted a PowerPoint presentation, a copy of which was placed on file with the Clerk, and reviewed slides with the following titles: BDR Direction; 2022 Process; and Seeking Direction. She mentioned different entities had different timelines for which bill draft requests (BDRs) had to be submitted. She reminded that during the last legislative report the Board asked for a better centralized way for individuals to submit BDRs for review. She noted a portal had been created to submit BDRs and the link was available on Inside Washoe. To date, she had received zero BDRs. She wanted to reach out to the department heads and staff to remind them of the portal and inform them of the deadline dates.

Ms. Rodriguez explained if the Legislative Counsel Bureau did not have specific information regarding a bill, there was a potential for errors when it was drafted. If that happened, she said, there was a possibility that a committee chair would not schedule the bill for a hearing because they did not want to go through a poor bill draft. She mentioned she had seen many bills die that way and did not want the County to be in that position. She said the current legislative session was unique since many of the implementation dates had been pushed back further than normal.

Ms. Rodriguez reminded there were multiple ways the County could request legislation. She said the County had the ability to introduce two BDRs and the option to request legislators or legislative committees introduce legislation on the County's behalf. She thought there would be BDRs that staff would have to review past the listed deadlines. She noted the sooner she received BDRs, the more likely staff would be successful in finding a sponsor and creating a bill more likely to pass. She hoped to get the Board's approval for the timeline she provided.

Chair Hartung clarified that the purpose of the discussion was the process of BDRs, not specific BDRs for submission. Ms. Rodriguez stated if anyone had ideas for BDRs to send them to her, but the purpose of the discussion was regarding the process.

Commissioner Lucey informed that in the past, the County had been hesitant to introduce legislation. In the last three sessions, the County introduced one BDR out of the potential six that could have been introduced. In every legislative session, Clark County put forth all their available BDRs. He said if the County did not ask for things, they would never get anything. After being involved in the last three or four sessions in the legislature, he thought it was necessary for the County to be more proactive and part of the discussion. He opined it would not work for the County to remain silent until there was an important BDR; the County needed to ask for something during every session.

Vice Chair Hill asked what the top BDR priorities were for the upcoming session and if she could introduce something. Chair Hartung said staff was not looking for top priorities; they were looking for direction on what the priorities could be over the next

eight months. He agreed with Commissioner Lucey that the County needed to ask for more legislation but was hesitant because oftentimes the language changed when a piece of legislation was introduced, which caused the legislation to backfire. Commissioner Lucey noted the County could try to stop their own bills.

Commissioner Jung thought it was important for the County to be relevant in the Legislature and build relationships. She noted the Legislature had changed; now the legislators served 12 years and then left. Due to the growth of the region, she said it was important for the County to individualize itself and its needs. She opined BDRs should be a standing agenda item.

Commissioner Lucey informed he had served with Vice Chair Hill as a legislative liaison. He said the County had four senators that represented them and could introduce legislation. Ms. Rodriguez clarified that incumbent senators received 20 BDRs and newly elected senators received 12 BDRs. Commissioner Lucey said the more relevance you had in the Legislature, the easier it was to get things done. He felt the time and energy he put in at the Legislature gave the County more relevancy than they had in past years.

Each member of the Board, Commissioner Lucey noted, had personal relationships with department heads who could identify issues within their departments. With Ms. Rodriguez, he fought and testified on bills at the last session of Legislature to keep Cooperative Extension at the University of Nevada Reno. He said Victims of Crime Act, judicial reform, public safety, water, and infrastructure were all viable things that could be discussed at the Legislature through committees. He said the BDR process was more than writing laws, it was about identifying funding for the County. He opined it was the Board's responsibility to act, and he challenged each Board member to speak with department heads to find out what BDRs could be put forth.

Chair Hartung thought it was beneficial for the County to also look at BDRs that did not monetarily benefit the County. For example, he felt the County missed the opportunity to go to the Legislature to support the push for physician's assistants to practice on their own. Vice Chair Hill said it was important to leverage relationships with those that went to the Legislature on the County's behalf.

During the last legislative session, Commissioner Lucey said, Human Services Agency (HSA) Director Amber Howell testified at 25 different hearings for bills to protect funding for the HSA. He mentioned Assembly Bill 424, which came out of the last legislative session, had a budgetary income impact of approximately \$2 million. These were things, he opined, the Board should have been involved in because they impacted the County. He mentioned some State rules that had been established predicated how the County could get funding on the federal level. He thought it was important to have an identified legislative plan soon to allow Ms. Rodriguez time to prepare.

Chair Hartung asked if staff had received enough direction from the Board. Ms. Rodriguez mentioned that the National Association of Counties submitted a bill that

changed processes and was a huge fiscal savings to the County. She said BDRs could involve more than a fiscal impact. She thought staff should research what could make things easier, such as processes where efforts were duplicated or aged out. She noted small changes were frequently missed and could have significant impacts.

Commissioner Lucey opined any savings could make a difference in the future. He commented it was possible that a bill from the County would not work for one session but could work in another session. He noted a BDR that he worked on with Ms. Rodriguez took three attempts over four sessions before it was successful. He thought it was important to find the right vehicle and people for the BDRs.

There was no response to the call for public comment.

22-0090 **5.D. Briefing on NRS and Federal Changes to Governance. This will include updates on Nevada’s ethics in government laws (NRS chapters 281 and 281A and related provisions), as well as updates on disclosure obligations related to the issuance of various types of municipal bonds.**

Assistant District Attorney Nathan Edwards conducted a PowerPoint presentation, a copy of which was placed on file with the Clerk, and reviewed slides with the following titles: Ethics for Elected Officials; Guiding Principles; Disclose a Conflict of Interest; Is it a Conflict of Interest; and Recusal.

Attorney Edwards said Nevada Revised Statutes (NRS) Chapter 281A was enforced by the Ethics Commission that operated out of Carson City. The Ethics Commission, he explained, was a public body that heard alleged violations of the ethics laws. He commented the most common violations involved Chapter 281A.420, which was the section that discussed disclosure and abstention. The ethics laws, he informed, applied to the Board and all the Board members should have signed an acknowledgement of the laws at the beginning of their term.

Chair Hartung mentioned a continuum of care change regarding seniors had been enacted in the County policies. He mentioned it could benefit him indirectly because he was a senior. He wondered how issues like that were separated in the ethics laws. Attorney Edwards replied a provision was built into the statute regarding abstentions that stated there was no violation if the benefit or detriment accruing to the individual was no greater than or lesser than the benefit or detriment that accrued to the community at large.

Attorney Edwards discussed an ethics violation accusation that involved the Planning Commission where a planning commissioner disclosed his interest at one meeting, but not at a later meeting where the matter had been brought up again. An issue that came up in the trial was how much disclosure equaled disclosure, he said. The Ethics Commission debated on the disclosure issue and never came to a decision. Ultimately, he relayed, the Ethics Commission agreed the connection between the planning commissioner and the affected property was remote.

Attorney Edwards recommended the Board members make a disclosure at every meeting where there could be a conflict of interest. He explained the disclosure should be made as soon as the County Manager made the announcement of the agenda item. He noted it was helpful for the deputy district attorneys to be notified of a potential disclosure prior to a meeting.

Attorney Edwards said the decision of whether something was a conflict of interest was a judgement call and the more generalized the interest, the less likely it needed to be disclosed. The Ethics Commission's position was if in doubt, disclose it. This, he explained, would remove any potential appearance that something was not put on the record that may have shaped a commissioner's thinking.

Chair Hartung mentioned many connections could be made to any issue since the Board members were all citizens of the community. Attorney Edwards said everyone had some interest in the context of the general laws. He thought if it was a general level matter, it was most likely okay to not disclose something. If the matter was specific to personal circumstances, then the matter should be disclosed.

Chief Financial Officer Christine Vuletich conducted a PowerPoint presentation, a copy of which was placed on file with the Clerk, and reviewed slides with the following titles: Municipal Bond Ratings; Standard & Poor's Global Ratings; Moody's; and 2022 Refunding Bonds Sale Results.

Ms. Vuletich explained the stock market crash in 1929 led the United States into the Great Depression. By 1933, over 5,000 banks had failed, and the unemployment rate was at 25 percent. Due to this, the federal government created the Securities and Exchange Commission (SEC) to protect investors. The first act regulated issuers of debt, and the second act protected investors. In 2010, Rule 15C-12 was created to deal with disclosure. She said there were several material events that needed to be disclosed to the financial markets within ten business days. In 2019, items 15 and 16 were added regarding incurring additional financial obligations. She noted the County had recently done a lot of refinancing, which included the preparation of an offering statement for potential investors. She discussed different SEC enforcement actions around the Country and stressed the importance of providing accurate financial information.

Commissioner Jung found the information very interesting and appreciated that it was included in the workshop. Chair Hartung thanked staff for their work and adherence to the complex rules and regulations.

Ms. Vuletich noted the highlighted portion on the municipal bond ratings slide was where the County stood. She said the County had a very good credit which enabled them to get good interest rates. She commented the State was an Aa1 rating and Reno City was an A1 rating. She mentioned there were not many government agencies with an AAA rating.

Manager Eric Brown said the County was not perfect, but the financial standing of the County was a direct result of decisions made by Boards and leadership prior to himself. He opined leadership was diligent to make sure things were done the right way. Chair Hartung said Washoe County had a long history of being fiscally responsible and Ms. Vuletich and her staff had helped to maintain that. Vice Chair Hill was pleased to be associated with an organization and Board that was fiscally responsible. Commissioner Jung had deep trust in Ms. Vuletich and her team and respected them for their hard work.

There was no response to the call for public comment.

22-0093 **AGENDA ITEM 6** Public Comment.

There was no response to the call for public comment.

22-0094 **AGENDA ITEM 7** Announcements/Reports.

Commissioner Jung wanted to work with the Board and the Cities of Sparks and Reno on a dignity and respect campaign to hold members accountable for negative civil discourse. She hoped the action would extend to other Boards in the County.

Vice Chair Hill thanked staff and the Board for the great session and noted she was excited about the way the County was moving forward.

Chair Hartung opined the offsite strategic planning session were more fruitful and thanked staff for putting the session together.

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3:55 p.m. There being no further business to discuss, the meeting was adjourned without objection.

VAUGHN HARTUNG, Chair
Washoe County Commission

ATTEST:

JANIS GALASSINI, County Clerk and
Clerk of the Board of County Commissioners

*Minutes Prepared by:
Evonne Strickland, Deputy County Clerk*