

Action Plan

Grantee: Washoe County, NV

Grant: B-11-UN-32-0002

LOCCS Authorized Amount:	\$ 1,735,918.00
Grant Award Amount:	\$ 1,735,918.00
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 0.00
Total Budget:	\$ 1,735,918.00

Funding Sources

Funding Source	Funding Type
NSP3	Other Federal Funds
State of Nevada NSP3	Other Federal Funds

Narratives

Summary of Distribution and Uses of NSP Funds:

Revised NSP3 Action Plan

Summary of February 2013 Amendment:

Washoe County is updating its NSP3 Action plan to better reflect the County plan for NSP3 funding. As project planning and implementation has progressed, the County has determined that several changes are in order. These are primarily necessitated by the actual costs of construction based on bids and updated costs estimates and a thorough underwriting analysis of the primary rental project being developed by the County. As further outlined below, the County is updating its provisions related to Ensuring Continued Affordability and the Definition of Affordable Rents. In both cases, the updates are intended to clarify prior provisions, eliminate minor internal inconsistencies, and provide for operational flexibility in the future.

Based on updated cost estimates and actual bids, the County is also proposing changes to the structure of the anticipated scattered site rental development included in prior versions of this plan. Rather than be entirely restricted to tenants at or below 50% of the area median income (AMI), the project will be adjusted to include some units targeted to households with incomes of up to 120% AMI. Including units at higher rents will improve the overall financial viability of the development over time and provide operational flexibility. Based on available funding, including \$550,000 from the State of Nevada (not including another \$24,000 for administrative costs), the project itself is now projected to consist of up to 10 total units, of which four 1-bedroom units will be 50% AMI units, three 2-bedroom units will be 50% AMI units, and three 2-bedroom units will be 120% AMI units.

Additionally, the County has adjusted its plans relative to the long-term ownership and operations of the anticipated scattered site rental development included in prior versions of this plan. While the County will continue to act as the developer for this project, including building sites on Spokane Avenue in Reno and Zephyr Way in Sparks, it intends to transfer ownership of the project shortly after completion and lease-up to a local nonprofit community development corporation. The County intends to solicit a new owner-operator through an RFP process and will secure the NSP3 investment in the project through both a deed restriction and financing documents.

Finally, based on current cost projections, the County is amending the overall scope of projected activity. Nearly all available NSP3 funding will be used toward the rental project on Spokane and Zephyr. If enough funding is available once final bids for this project are available, the County will seek to acquire additional foreclosed, abandoned, or vacant residential property and build or rehabilitate additional units that would be added to the scattered site rental project or sold to NSP-eligible buyers.

Consistent with HUD requirements, Washoe County provided public notice of this amendment of its NSP Action Plan by publishing a Public Notice on Friday, March 15, 2013 in the Reno Gazette Journal, a publication of general circulation, and by a posting on the County website at www.washoecounty.us. The public comment period ran for 15 days, expiring on March 31, 2013.

No Public Comments were received.

PRIOR ACTION PLAN TEXT:

This action plan is Washoe County's first substantial amendment to its NSP3 plan. All previous action plans will remain available at



www.washoecounty.us/comdev. This amendment adds Redevelopment as an eligible use and slightly alters the boundary of the target neighborhood. These changes are necessary in order to acquire property within the NSP3 required timelines. While there appear to be numerous foreclosures in the original target area, current regulations in Nevada regarding the foreclosure process are slowing the movement of these units to market. We continue to believe these units will eventually become available but in the meantime it is necessary for us to find other more readily available opportunities. By expanding the target area and the eligible uses of the funds, Washoe County will be able to move more rapidly to implement the NSP3 grant. In order to ensure adequate funds for the new opportunities, Washoe County is re-evaluating its currently approved activity to rehabilitate a unit it currently owns at 1361 10th street. This approved activity may become an option again in the future should funds allow. Should it decide to pursue this activity the county will undergo the proper amendment process to re-activate this activity. Washoe County followed the same Citizen Participation Plan it followed for the original submittal for NSP3 funds. This includes conducting a public meeting, publishing notice, posting in numerous locations, and making the plan available in several locations including the county's NSP3 webpage. To date, no members of the public have chosen to comment on Washoe County's NSP3 plan or activities. Washoe County's NSP3 funds will be supplemented with \$400,000 in State of Nevada NSP3 funds. This will result in a total of \$1,962,327.00 in funds available for program activities. A pro-rated division of these funds results in 80 percent of funds attributed to Washoe County and the remaining 20 percent contributed by the State of Nevada. Washoe County's first NSP3 Action Plan focused on only Eligible Use B, or Acquisition and Rehabilitation of Foreclosed units. This amended Action Plan, in addition to slightly expanding the boundaries of the target neighborhood, also adds Eligible Use E, or Redevelopment of Vacant Parcels. The new map is entitled NSP3 Target Area 2, and is given the HUD Neighborhood ID number 7143829. The Map and the HUD generated data sheet, including the census tract numbers, is an attached document to the specific activities listed later in the action plan.

Washoe County intends to produce a total of 12 units. Washoe County will be credited for 9 units, and the State of Nevada will be credited with funding 3 units. The distribution of funds is as follows.

1. Acquire three vacant parcels in a failed subdivision and subsequently construct a duplex on each parcel for a total of 6 units.
2. Construct a four-plex designed for seniors on a vacant parcel currently owned by Washoe County.
3. Acquire and rehabilitate 2 foreclosed units.

Rehabilitation and new construction (redevelopment) will result in energy efficient units that meet the "Build Green" construction standards of the National Association of Home Builders. All units will be made available to LH-25 qualified families, seniors, aging out foster youth, and other tenants. Tenants will generally already be clients of the Washoe County Social Services Department.

How Fund Use Addresses Market Conditions:

Response:

Supply: Washoe County Assessor data indicates that the supply of single family and multi family units in foreclosure is substantial. While the HUD mapping tool has been used extensively in our search for a target neighborhood, the unfortunate truth is that it was not difficult to draw small, medium, and large neighborhoods that easily met the minimum needs score for the state of Nevada (17). In fact only one of the neighborhoods we tested did not meet the minimum score.

In order to have a meaningful impact, this program will attempt to focus the expenditure of funds in micro areas within the identified target area as defined on the NSP3 map provided. Our target area identification process involved reviewing the locations of foreclosures (county assessor data) and matching those areas with other variables (transit, employment, etc.). The acquisition and rehabilitation of targeted properties will help to remove the inherent instability and risk involved with foreclosed properties, and in turn will help to stabilize the local market and encourage further private investment. The redevelopment of vacant properties in the target area will have a similar investment inducing impact.

Demand: The program design is focused on providing homes to families already receiving case management and supportive services from the Washoe County Social Services Department, Childrens Services Division. Families will be referred to the program through an existing comprehensive assessment process which will identify housing as a primary risk and safety factor. Housing is a primary risk factor in over 80 percent of all families served by the Department related to reports of neglect. In addition, the identified target neighborhood area represents one of the highest rates of referral and resulting need for services. The demand for housing from these clients far outpaces the supply of available units. Vacancy is not anticipated to be a barrier to the successful implementation of this program.

Ensuring Continued Affordability:

Ensuring Continued Affordability:

As Revised by February 2013 Amendment: Washoe County will adopt the minimum affordability period requirements of the HOME program found at 24 CFR 92.252(e) for any rental properties developed and the requirements from 24 CFR 92.254 for any units developed for sale to income eligible homebuyers.

PRIOR ACTION PLAN TEXT:

This program will adopt, at a minimum, the HOME program standards at 24 CFR 92.252(a), (c), (e), and (f), and 92.254 for long term affordability, with priority given to properties committed for longer periods. A minimum of 15 years if over \$15K investment.

Definition of Blighted Structure:

A building or structure, used or intended to be used for residential, commercial, industrial or other purposes, or and combination thereof, which are unfit or unsafe for those purposes and are conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime because of one or more of the following factors:

1. Defective design and character of physical construction.
2. Faulty arrangement of the interior and spacing of building.
3. In adequate provision for ventilation, light, sanitation, open spaces and recreational facilities.
4. Age, obsolescence, deterioration, dilapidation, mixed character or shifting of uses.

Washoe County will not be using federal funds from this grant to purchase and demolish structures. If demolition were



necessary, we would use Nevada Revised Statutes, Title 18, Chapter 231 to expand the definition of blighted found above.

Definition of Affordable Rents:

Definition of Affordable Rents:

As Revised by February 2013 Amendment: The program will adopt, as affordable, maximum rents that do not exceed those established by 24 CFR 92.252(a)(1) (i.e. the calculated 65% Rent as published by the HOME program, unlimited by the Fair Market Rent). Additionally, rents will be calculated consistent with 24 CFR 92.252(c) and adjusted annually per the requirements of 24 CFR 92.252(f).

PRIOR ACTION PLAN TEXT:

The program will utilize the HOME program standards at 24 CFR 92.252 (a), (c), (e), and (f) and 92.254. The program will utilize low HOME rents as determined by HUD.

Housing Rehabilitation/New Construction Standards:

Housing rehabilitation standards will generally seek to adhere to the International Building Codes adopted by Washoe County, the City of Reno, and the City of Sparks including but not limited to: the International Building Code, International Residential Code, Mechanical Code, and the National Electrical Code.

An energy and water efficiency plan will be required for all properties acquired and rehabilitated or newly constructed with NSP3 funds. At a minimum, the standards for rehabilitation will be the Energy Star standards identified in the NSP3 guidelines. We have adopted the "Build Green" program of the National Association of Home Builders for new construction and rehabilitation. In all instances, we will seek to implement these standards.

The vast majority of rehabilitation work being carried out will involve a variety of minor to moderate activities to be carried out in existing structures. Where replacements are needed, we will seek to replace older obsolete products and appliances such as windows, doors, lighting, air conditioning units, and refrigerators with Energy Star-46 labeled products. Water efficient toilets, showers, and faucets, such as those with the WaterSense label, will also be installed when replacements are being carried out.

Washoe County anticipates all acquired units will be vacant. However, should the need arise, Washoe county will adhere to its relocation and anti-displacement policies, which reflect all current Federal standards.

Vicinity Hiring:

The Washoe County NSP3 program will, to the maximum extent possible provide for the hiring of individuals who reside in the vicinity of the NSP3 projects (in the target neighborhood area). This will include requiring all contractors and sub-contractors that work on these projects to provide notice of all hiring be posted at a minimum of three public locations within the neighborhood, in both English and Spanish.

Additionally in order to further the vicinity hiring requirement all contractors and sub-contractors will be required to provide preference in hiring to applicants living in the target neighborhood area, when all other qualifications are equal.

Procedures for Preferences for Affordable Rental Dev.:

Procedures for Preferences for Affordable Rental Dev:

The Housing Element of the Washoe County Master Plan contains numerous policies and action programs to support, promote, and incentivize the development of affordable housing. These policies and programs include the removal of regulatory barriers, providing for increased density, and providing incentives (including density incentives) to develop affordable housing. The Washoe County Housing Element can be accessed at the following link:

http://www/comdev/publications_maps_products/comdevplan/comdevplan_index.htm

Grantee Contact Information:

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PO box 11130
Reno NV 89520.

Project Summary

Project #	Project Title	Grantee Activity #	Activity Title
9999	Restricted Balance		<i>No activities in this project</i>
One	administration	2	Administration
Three	Redevelopment of Vacant parcels.	3	Zephyr Way LH25
		4	Spokane Redevelopment
		5	Zephyr Way LMMI
Two	Acquisition and Rehabilitation		<i>No activities in this project</i>



Activities

Project # / Title: One / administration

Grantee Activity Number: 2
Activity Title: Administration

Activity Type:

Administration

Project Number:

One

Projected Start Date:

06/01/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

Not Applicable - (for Planning/Administration or Unprogrammed Funds only)

Environmental Assessment:

EXEMPT

Benefit Report Type:

NA

Activity Status:

Under Way

Project Title:

administration

Projected End Date:

03/16/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 44,289.00

Other Funds \$ 0.00

Total Funds \$ 44,289.00

Activity is being carried out by Grantee:

Yes

Activity is being carried out through:

Grantee Employees

Organization carrying out Activity:

Washoe County

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Washoe County

Organization Type

Local Government

Proposed

\$ 44,289.00

Location Description:



N/A

Activity Description:

Note: The County will also receive \$24,000 in NSP3 administrative funding from the Nevada State Housing Division, however, due to DRGR issues, we have been advised not to include that funding in the budget until a system update has been completed. General Administration and planning activities associated with implementation of NSP3.

Project # / Title: Three / Redevelopment of Vacant parcels.

Grantee Activity Number: 3
Activity Title: Zephyr Way LH25

Activity Type:
Construction of new housing

Project Number:
Three

Projected Start Date:
07/15/2012

Project Draw Block by HUD:
Not Blocked

Activity Draw Block by HUD:
Not Blocked

Block Drawdown By Grantee:
Not Blocked

National Objective:
LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Environmental Assessment:
COMPLETED

Benefit Report Type:
Direct (Households)

Activity Status:
Under Way
Project Title:
Redevelopment of Vacant parcels.

Projected End Date:
03/16/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 219,921.00
Other Funds: \$ 0.00
Total Funds: \$ 219,921.00

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Renter Households	3	3		100.00
# of Households	3	3		100.00

Proposed Accomplishments	Total
# of Singlefamily Units	3
# of Housing Units	3



#Units ζ other green	3
#Units exceeding Energy Star	3
#Units with bus/rail access	3
#Low flow showerheads	6
#Low flow toilets	6

Activity is being carried out by Grantee:

Yes

Activity is being carried out through:

Grantee Employees

Organization carrying out Activity:

Washoe County

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
Washoe County	Local Government	\$ 219,921.00

Location Description:

The vacant parcels are on Zephyr Way in the City of Sparks in the northeast corner of the target neighborhood. They are located directly adjacent to and north of Oppio Park, Sparks Middle School and Risley Elementary School. Within 1 mile of the area is a broad variety of services. Transit is available within a half mile.

Activity Description:

Update as of February 2014: County is continuing with the original project plan whereby the County will own and operate the units. The County may still consider transferring project, subject to the assumption of all applicable NSP compliance obligations, to a local owner/operator.

Note: This project will also be supported by \$550,000 in NSP3 funding from the State of Nevada. However, due to DRGR issues, we have been advised not to include that funding in the budget until a system update has been completed.

With changes outlined in the 2013 action plan amendment, the County now expects to identify a local entity to become the owner/operator during the affordability term.

PRIOR ACTION PLAN TEXT:

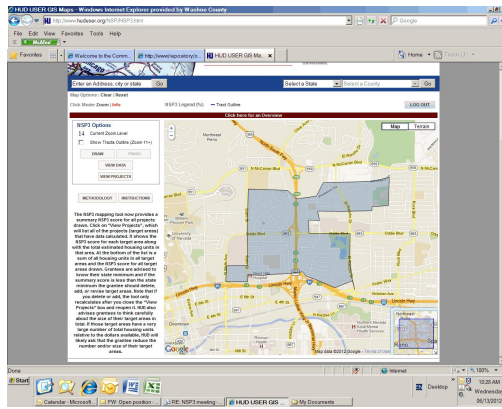
After acquiring three parcels with NSP3 funds, Washoe County will construct an energy efficient duplex on each parcel. Washoe County will maintain ownership of these units and will operate the rental project. The affordability period will be a minimum of 15 years, or the HOME program standards at 24 CFR 92.252 (a), (c), (e), and (f), and 92.254 for long term affordability, whichever is greater. The units will be made available to low income families. The tenant pool is expected to largely be drawn from existing programs being implemented concurrently by the Washoe County Social Services Department. By maintaining ownership, Washoe County can ensure the affordability period and tenant eligibility.

Activity Supporting Documents



Document
Image:

NSP3 Target Area 2.gif



Document

NSP3Target Area 2 data.pdf



Grantee Activity Number: 4
Activity Title: Spokane Redevelopment

Activity Type:

Construction of new housing

Project Number:

Three

Projected Start Date:

07/15/2012

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Environmental Assessment:

COMPLETED

Benefit Report Type:

Direct (Households)

Activity Status:

Completed

Project Title:

Redevelopment of Vacant parcels.

Projected End Date:

03/16/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 697,764.00

Other Funds: \$ 0.00

Total Funds: \$ 697,764.00

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Renter Households	4	4		100.00
# of Households	4	4		100.00

Proposed Accomplishments

	Total
# of Singlefamily Units	4
# of Housing Units	4
#Units \geq other green	4
#Units exceeding Energy Star	4
#Units with bus/rail access	4
#Low flow showerheads	4
#Low flow toilets	4



Activity is being carried out by Grantee:

Yes

Activity is being carried out through:

Grantee Employees

Organization carrying out Activity:

Washoe County

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
Washoe County	Local Government	\$ 697,764.00

Location Description:

842 Spokane Ave is directly across from the Washoe County Administrative complex at the corner of 9th St. and Wells Avenue. The Washoe County Senior Center, bus stops, and a broad range of services are directly accessible from this location.

Activity Description:

Update as of February 2014: County is continuing with the original project plan whereby the County will own and operate the units. The County may still consider transferring project, subject to the assumption of all applicable NSP compliance obligations, to a local owner/operator.

With changes outlined in the 2013 action plan amendment, the County now expects to identify a local entity to become the owner/operator during the affordability term.

PRIOR ACTION PLAN TEXT:

Washoe County is currently in possession of this vacant parcel. The county acquired this parcel 10-21-1996. Since that time, the county has not developed any plans for its eventual development and as a consequence, the parcel has remained vacant.

Together with the investments other property owners are making nearby, NSP3 funds will represent a significant investment that will provide an incentive for further reinvestment by yet other property owners in the area. Stabilization and eventual improvement of this entire micro-area is a likely result.

The County will maintain ownership of this property and will operate the rental program. Washoe County will redevelop this vacant lot with 4 efficiency style units designed for senior occupancy, however, they will remain available for a variety of low income tenants. The units will be energy efficient and offer long term sustainability. Washoe County will ensure an affordability period of at least 15 years, or the HOME program standards at 24 CFR 92.252(a), (c), (e), and (f), and 92.254 for long term affordability, whichever is greater.



Grantee Activity Number: 5
Activity Title: Zephyr Way LMMI

Activity Type:

Construction of new housing

Project Number:

Three

Projected Start Date:

03/16/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Environmental Assessment:

COMPLETED

Benefit Report Type:

Direct (Households)

Activity Status:

Under Way

Project Title:

Redevelopment of Vacant parcels.

Projected End Date:

03/16/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 773,944.00

Other Funds: \$ 0.00

Total Funds: \$ 773,944.00

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Renter Households	3		3	100.00
# of Households	3		3	100.00

Proposed Accomplishments

	Total
# of Singlefamily Units	3
# of Housing Units	3
#Units \geq other green	3
#Units exceeding Energy Star	3
#Units with bus/rail access	3
#Low flow showerheads	6
#Low flow toilets	6



Activity is being carried out by Grantee:

Yes

Activity is being carried out through:

Grantee Employees

Organization carrying out Activity:

Washoe County

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
Washoe County	Local Government	\$ 773,944.00

Location Description:

The vacant parcels are on Zephyr Way in the City of Sparks in the northeast corner of the target neighborhood. They are located directly adjacent to and north of Oppio Park, Sparks Middle School and Risley Elementary School. Within 1 mile of the area is a broad variety of services. Transit is available within a half mile.

Activity Description:

Update as of February 2014: County is continuing with the original project plan whereby the County will own and operate the units. The County may still consider transferring project, subject to the assumption of all applicable NSP compliance obligations, to a local owner/operator.

With changes outlined in the 2013 action plan amendment, the County now expects to identify a local entity to become the owner/operator during the affordability term.

PRIOR ACTION PLAN TEXT:

After acquiring three parcels with NSP3 funds, Washoe County will construct an energy efficient duplex on each parcel. Washoe County will maintain ownership of these units and will operate the rental project. The affordability period will be a minimum of 15 years, or the HOME program standards at 24 CFR 92.252 (a), (c), (e), and (f), and 92.254 for long term affordability, whichever is greater. The units will be made available to low income families. The tenant pool is expected to largely be drawn from existing programs being implemented concurrently by the Washoe County Social Services Department. By maintaining ownership, Washoe County can ensure the affordability period and tenant eligibility.

Action Plan Comments:

Reviewer - 6/14/11 When discussing the SF home clarify that it is blighted and how it will be used. Under Ensuring Continued Affordability be a little more specific by adding in the time frame for affordability (15 years if over \$15K investment); Same comment for affordable rents (say low HOME rents since all of the beneficiaries will be 50% AMI or lower; Add in a description of how the County will deal with any relocation and bona fides tenants;

Project Title should include a reference to eligible use (i.e., B Rehab and Activity Title should be more specific to actual project (i.e, ARRental - XYX Dev - LH25)

Reviewer - 7/18/11 Requested changes made. Grantee reports that they are unable to TBD in as responsible organization and are leaving the County in until a developer has been selected and agreements signed.

Reviewer - 12/19/11 Grantee should split this into 2 activities: one for single family and the other for multifamily. once the actual locations are known for the multifamily, each location should then be made an activity and the plan will be revised.



- Reviewer - 2/28/12 Plan not approved because it was not posted on the Granbtee's website. Other changes should also be corrected but were not reason for plan rejection.
- Reviewer - 3-5-12 Plan approved - all requested changes made and plan is posted on the county's website.
- Reviewer - 7/19/12 Under the Summary of Use and Distribution of Funds please reinsert the initial summary and at the end a new section titled "AMENDMENT 1" followed by the summary in this version. The special punctuation should be removed. A mark up PDF will be sent to the grantee with specific notations regarding the format.
- Reviewer - 8-8-12 Reason for amendment needs to be more specific. Why didn't the original area work? Lack of inventory? Also, what happened to the 10th Street rehab and/or demo reconstruction? By reading the activity descriptions it appears that this has been deleted but RROF was approved. This needs to be clarified before amendment can be approved.
- On County's website the "proposed action plan" is really the approved plan.
- Reviewer - 8-15-12 Plan approved but for the Admin activity - activity is being carried out by grantee should be changed from no to yes.
- Reviewer - 7/29/13 Amendment reviewed and approved.
- Reviewer - 3/28/14 Grantee has been asked for over 2 years to change "activity being carried out by Grantee" from No to Yes.

Action Plan History

Version	Date
B-11-UN-32-0002 AP#1	07/28/2015
B-11-UN-32-0002 AP#2	01/16/2015
B-11-UN-32-0002 AP#3	04/18/2014
B-11-UN-32-0002 AP#4	07/29/2013
B-11-UN-32-0002 AP#5	08/15/2012
B-11-UN-32-0002 AP#6	04/05/2012
B-11-UN-32-0002 AP#7	03/05/2012
B-11-UN-32-0002 AP#8	01/26/2012
B-11-UN-32-0002 AP#9	07/18/2011

