



**Meeting Date:** 12.06.2017  
**Agenda Item:** # \_\_\_\_\_

### **Mission Statement**

To provide our growing dynamic community excellent municipal services to make Fernley a great place to live, work, and play. Together, we enhance the desirability, safety, friendliness, aesthetics and quality of life in our city.

## **CITY OF FERNLEY CITY COUNCIL MEETING STAFF REPORT**

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**REPORT TO:** Mayor & City Council  
**REPORT THRU:** Daphne Hooper, City Manager  
**REPORT BY:** **Colleen Unterbrink, Assistant to the City Manager**  
**REVIEWED BY:** Brandi Jensen, City Attorney  
**REVIEWED BY:** Denise Lewis, Finance Director  
**AGENDA ITEM:** **Presentation, discussion, and possible action on the 2018 Community Development Block Grant Program project applications and citizen participation process.**

**ACTION REQUESTED:** \_\_\_ Consent \_\_\_ Ordinance \_\_\_ Resolution  X  Motion \_\_\_ Receive/File

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### **RECOMMENDED ACTION BY CITY COUNCIL**

**Staff recommends the following action:**

**“I move to approve City submittal to the State of Nevada 2018 CDBG Program, including the following applications: Community Center Public Outreach and Design; and Downtown Fernley Revitalization Phase 3 – Main Street Beautification grant applications.”**

### **Key Points:**

1. The Community Development Block Grant (CDBG) program requires citizen input in the annual funding process. This process is a requirement to apply for a grant from CDBG.
2. CDBG requires three public meetings to obtain citizen input into the types of activities to submit for funding. This year's public participation meetings have been scheduled for August 16, 2017, November 15, 2017, and December 6, 2017.
3. This is the final meeting in a series of three meetings, the purpose of this meeting is to select the projects for staff to submit for the CDBG 2018 grant program.
4. Grant applications are due January 16, 2018.
5. Staff recommends submitting two applications: one grant for \$80,000 for the Community Center Public Outreach and Design; one grant for \$400,000 for Downtown Fernley Revitalization Phase 3 - Main Street Beautification.
6. The maximum number of open CDBG grants allowed per entity is five. The City currently has three open grants, two are set to expire on December 31, 2017.

## **POLICY REFERENCE**

*Nevada Statutes:* NRS

*Fernley Municipal Code:*

*Policies & Procedure Manual:* N/A

*Community Assessment:* The Community Assessment identified Economic Development and a Community Center/Convention Center as priorities for the community.

*Other:* 24 CFR 570: The Community Development Block Grant (CDBG) Program is authorized under Title 1 of the Housing and Community Development Act of 1974, as amended. The CDBG program was enacted in 1974 under the Housing and Community Development Act or HCDA. Section 101(c), 570.1, 570.2

## **SUPPORTING INFORMATION**

### **Community Center Public Outreach and Design, \$80,000**

The City has secured over \$360,000 in CDBG grant funds since January 1<sup>st</sup>, 2017 to complete sewer construction to the historic Depot, along with plans for a separate amenity building (ADA-compliant restrooms, small catering kitchen). Additionally, the City is moving forward with the vision of a multi-purpose community center to be built on the vacant land behind the Depot. Momentum has continued for this project and the City has formed a working group including the following key stakeholders:

- Lyon County Manager
- Lyon County Human Services
- Lyon County School District
- Western Nevada College
- Boys and Girls Club of Truckee Meadows

Furthermore, the Fernley Community Foundation has been formed, which will work directly with the City and the established working group to complete the vision of the community center. The Governor's Office of Economic Development (oversees CDBG) has expressed full support of the future Fernley community center, as they feel this project is one that aligns with their overall goal of promoting economic development in rural communities.

Staff recommends submitting a grant application in the amount of \$80,000 for the public outreach and conceptual design/drawing of the community center. The grant application will include a strong focus on community outreach and visioning. The conceptual drawings for this facility are a necessary visual aid to assist in community buy-in and future planning for the project. After research, staff has determined a grant amount of \$80,000 to be sufficient to cover the following:

- Final renderings of the community center (such as 3D, photo realism, and/or hand-drawings)
- Community outreach (including, but not limited to: charrettes, online surveys, focus groups, etc.)
- Traffic study

### **Downtown Fernley Revitalization Phase 3 – Main Street Beautification, \$400,000**

Phase 1 of the Downtown Fernley Revitalization Project was completed in May, 2014, this phase identified and evaluated potential streetscape, transportation and urban design improvements to Main Street and US 95 Alternate to encourage revitalization of the Fernley Downtown Corridor, as well as developing an overall design framework and guidelines for the area. Goals and priorities included: enhance the character of Downtown through thematic streetscape and building façade improvements; coordinate wider sidewalks with appropriate landscape and lighting treatments to create an attractive environment; provide safe and attractive pedestrian connectivity.

Phase 2 of the Downtown Fernley Revitalization Project was completed in June, 2017. This phase created engineering and architectural design drawings and specifications, as well as an environmental narrative, for projects outlined in Phase 1. The final project included the following design scope elements: survey and mapping; geotechnical investigations; 30% study area design; priority segment 60% design plans; drainage study and analysis; priority segment 90% design plans; construction cost estimating; NDOT coordination. The environmental scope elements included: field review/data collection; architectural report; SHPO coordination; and environmental narrative. The final project cost including utility coordination, NDOT permitting, and construction totals \$5.61 million.

Staff recommends moving forward with a third phase (requesting \$400,000) to assist in beautification efforts to the

identified areas of Main Street. The proposed scope of work will include contracting with a landscape architect/planner to coordinate the purchase and installation of streetscape elements including the following: benches, bicycle racks, trash receptacles, above ground planters, downtown entry signage, a city clock, and public art. The City is specifically seeking these elements as they have the ability to be moved in the future, if/when the City moves forward with the larger undertaking identified in Phase 2.

These beautification efforts will market the downtown, encourage new business development, and improve the appearance of downtown, making it appealing for residents, visitors, investors, developers, and shoppers. Investment in revitalization creates jobs, increases property values and attracts tourists; all of which are economic benefits to the City of Fernley. Downtown serves as a good incubator for new small businesses, as strip malls are often too expensive for new entrepreneurs. By improving downtown and attracting new businesses, the City will draw more tax revenue to improve, enhance, and maintain infrastructure. Downtown rehabilitation work stimulates the local economy, materials and labor for new commercial construction often come from out of town.

Often companies are instructing their site selectors to seek out locations for business expansion or relocation that offer an authentic/unique sense of place, such as a vibrant downtown. Companies understand they are more likely to increase their talent pool by locating in a community with a thriving downtown. A healthy downtown is an important factor for industrial, commercial developers, and professional recruitment. Fernley may not even get the chance to show off our industrial park or offer an incentive if we do not make the first cut by scoring high in quality of life amenities, which includes a healthy, vibrant downtown.

Both grant application proposals have been approved and deemed eligible by CDBG. Per the CDBG Program Administrator, Jean Barrette, "We believe both are important projects, The CDBG program's focus has been on projects that more closely align with the goals of the Governor's Office of Economic Development. These projects have the potential to impact Fernley and the area."

At the November 15, 2017 Council meeting, no changes or additions were made to the project list. No other members of the public have reached out to staff for a possible sponsorship.

## **BACKGROUND INFORMATION**

The Community Development Block Grant (CDBG) Program is authorized under Title 1 of the Housing and Community Development Act of HCDA, Section 101(c), 570.1, 570.2. The primary objective of Title 1 of the Housing and Community Development Act of 1974, as amended, is the development of viable urban communities. These viable communities are achieved by providing the following, principally for persons of low and moderate income: provide decent housing; a suitable living environment; and create economic opportunity.

The primary purpose of CDBG's citizen participation requirement is to discuss possible applications for funding, and to solicit citizen input on possible activities to be included in applications.

The citizen participation component also ensures that information is provided to the public about the CDBG program, past projects that have been funded in the jurisdiction, how to apply, eligibility requirements, how and where funds can be used, and to give citizens an opportunity to make comments known regarding types of eligible activity that the City of Fernley should apply for under the CDBG program. The purpose of this second public hearing is to review the identified City projects, priorities, possible sponsorships, and to gather public input and make necessary changes. A third public hearing is scheduled for December 6, 2017 to discuss, rank, and approve applications prior to submittal to the State.

Eligible activities under the allocation consist of: housing rehabilitation programs, public facilities and public improvement projects, public service programs, planning studies, and economic development. Projects submitted must be eligible under the State CDBG program, and must meet one or more of the national objectives listed in CDBG federal statutes as follows:

- Benefit to low income households or persons
- Elimination of slum and blight
- Meeting urgent community development need

CDBG expects to receive \$2.6 million from Housing and Urban Development (HUD) for 2018. The City of Fernley is one of twenty-six eligible entities to apply for funds through the CDBG for the 2018 program year. These monies may be used for community revitalization, housing rehabilitation, or infrastructure improvement projects within the City or that benefit qualified Fernley residents. The award process is competitive among the 26 rural jurisdictions in Nevada.

Communities who receive CDBG funds may use the funds for many kinds of community development activities including,

but not limited to:

- Acquisition of property for public purposes
- Construction or reconstruction of streets, water, and sewer facilities, neighborhood centers, recreation facilities, and other public works
- Demolition
- Rehabilitation of public and private buildings
- Public services
- Planning and capacity building activities
- Assistance to nonprofit entities for community and economic development activities
- Assistance to private, for-profit entities to carry out economic development activities, including assistance to micro-enterprises.

Applications received will be scored based on a rating system, the system includes the following elements that are taken into consideration:

- Scope of Work – 25 points
- Project Needs Analysis – 25 points
- Planning and Project Context – 20 points
- Economic Development Impact – 30 points
- Project Budget and Budget Justification Narrative – 25 points
- Maturity and Project Readiness – 20 points
- Environmental Review – 20 points

In addition, the Advisory Committee will consider the following factors: phasing of larger projects; past performance on CDBG projects; project readiness; and the community's demonstrated efforts to seek other sources of funding for the project.

Previous CDBG funded projects for the City include: Depot Community Center Phase 1 (engineering/design of sewer hook up to Depot); Depot Community Center Phase 2 (construction of sewer hook up to Depot and design of separate amenity building); Downtown Corridor Revitalization Phase II; Main Street Revitalization Plan; UNR Small Business Development Center Business Counseling; Access to Health Care Network; WNDD's Small Business Revolving Loan Program; Fernley Community Assessment; and NxLevel Business Classes.

## **FINANCIAL INFORMATION**

### **FISCAL IMPACT:**

1. Is There A Fiscal Impact? Yes
2. Is it Currently Budgeted? No
3. If Budgeted, Which Line Item/Account?  
100-413-100

### **FISCAL SYNOPSIS:**

The fiscal impact for this process is in-kind staff time, however, no cash match is required, staff recommends applying for two grants (\$80,000 and \$400,000).

## **PRIOR COUNCIL ACTION/REVIEW**

On November 15, 2017 Council heard the second public participation meeting, no changes or additions were made to the project list.

On August 16, 2017 Council approved the submittal of the grant application for the Community Center Public Outreach and Design. In addition, staff presented the Main Street Beautification project as a potential project for 2018.

On August 2, 2017 Council heard the first public participation meeting for the second round of CDBG grant funding for 2017. No members of the public spoke nor requested funding for an alternative project.

On May 17, 2017 Council directed staff to move forward with the vision of a multi-purpose community center.

On July 5, 2017 Council authorized the City Manager and Mayor to execute the necessary documents to complete the purchase of the vacant property surrounding the Depot.

Annually, since 2010, the City of Fernley has completed the CDBG citizen participation requirement in the fall of each year. Last year's public process was held on November 2, 2016; November 16, 2016; and December 7, 2016. Additionally, Council approved the Community Center Public Outreach and Design application for the second round of CDBG funding on August 16, 2017.

**ATTACHED INFORMATION**

None.