



CITY OF FERNLEY

CITY COUNCIL AGENDA REPORT

Meeting Date: June 3, 2020

REPORT TO: Mayor and City Council
REPORT FROM: Daphne Hooper, City Manager
REVIEWED BY: Brandi Jensen, City Attorney
REVIEWED BY: Denise Lewis, City Treasurer

FINANCIAL IMPACT:

Yes: No:

CURRENTLY BUDGETED:

Yes: No:

FUND/ACCOUNT:

ACTION REQUESTED: Consent Ordinance Resolution Motion Receive/File

AGENDA ITEM: Resolution (For Possible Action): Adoption of Resolution 20-010: A Resolution granting authority to the Fernley Convention and Tourism Authority (FCTA) to spend transient lodging funds for local businesses and further allowing the FCTA to determine grant guidelines on how to distribute funds for said businesses for the grant period of July 1 – December 31, 2020.

Agenda Item Brief: The City Council directed staff to bring forward a Resolution granting authority to the Fernley Convention and Tourism Authority to spend transient lodging funds for local businesses and establish grant guidelines for the distribution of funds for the grant period July 1 – December 31, 2020.

Recommended Motion:

"I move to adopt Resolution 20-010: A Resolution granting authority to the Fernley Convention and Tourism Authority (FCTA) to spend transient lodging funds for local businesses and further allowing the FCTA to determine grant guidelines on how to distribute funds for said businesses for the grant period of July 1 – December 31, 2020.

Business Impact (per NRS Chapter 237):

- A Business Impact Statement is Attached.
- A Business Impact Statement is not required because this is not a rule (term excludes vehicles by which legislative powers are exercised under NRS Chapters 271, 278, 278A, or 278B).

See attached report for background, analysis, alternatives.

ALTERNATIVES:

Council may not adopt the Resolution.

BACKGROUND:

COVID-19 has caused a rapid decline in viability for many local businesses especially in the retail, hospitality, and personal service sectors. In less than two months, unemployment rates have increased from historic lows to the highest levels in generations. Nevada has been impacted more severely than many states, with 22.4 percent of the workforce filing initial jobless claims in a five-week period.

At the Council Meeting on May 20, 2020, City Council directed staff to bring forward a Resolution for consideration regarding distributing funds to local businesses impacted by COVID-19 and to authorize the Fernley Convention and Tourism Authority (FCTA) to establish grant guidelines for this purpose.

Previously, Transient Lodging Funds have been used to promote local events. Since this pandemic is unprecedented in modern times, there is no information on the significant financial impact and what the new normal will be in the absence of the relief and recovery programs. Further, no final determination has been made regarding events for this year. Regionally, events such as the Lyon County Fair, Night in the Country, and Artown have been cancelled. Until the Governor establishes the full re-opening of the State, it is difficult to determine when local events will continue.

Currently, the announcement for Grant Applications has been posted. Applications are being accepted through May 31, 2020. A FCTA Board meeting is scheduled for June.

FINANCIAL IMPLICATIONS:

For FY 2020-2021, the budgeted amounts for Round 1 Grants (July – December) is \$44,000, with an additional \$22,000 for other potential grants.