



# CITY OF FERNLEY

## CITY COUNCIL AGENDA REPORT

Meeting Date: July 21, 2021

**REPORT TO:** Mayor and City Council  
**REPORT FROM:** Colleen Unterbrink, Assistant to the City Manager  
**REVIEWED BY:** Daphne Hooper, City Manager  
**REVIEWED BY:**

**FINANCIAL IMPACT:**

Yes:  No:

**CURRENTLY BUDGETED:**

Yes:  No:

**FUND/ACCOUNT:**

**ACTION REQUESTED:**  Consent  Ordinance  Resolution  Motion  Receive/File

**AGENDA ITEM: Staff Report (For Possible Action):** Presentation, discussion, and possible action on the 2021-2022 Community Development Block Grant (CDBG) Program update, priorities and citizen participation process.

**Agenda Item Brief:** The CDBG program requires citizen input in the annual funding process. This process is a requirement to apply for a grant from CDBG. Three public meetings are required to obtain citizen input into the types of activities to submit for funding. This year's public meetings have been scheduled for July 21, 2021, a second meeting in September, and a final meeting before February 2022. The city can apply for/sponsor, an unlimited number of projects/grants, however, we are restricted to a maximum of five open grants.

**Recommended Motion:**

"I move to accept the annual CDBG program overview presentation, priorities, and support the citizen participation process."

**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:**

The Council may:

- Request additional information

**BACKGROUND:**

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 and final public hearing will be scheduled for the City Council 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 \$3.6 million from Housing and Urban Development (HUD) for 2022. The City of Fernley is one of twenty-six eligible entities to apply for funds through the CDBG for the 2022 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 highly 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:

- Placemaking and beautification
- Construction or reconstruction of streets, water, and sewer facilities, neighborhood centers, recreation facilities, and other public works
- Demolition
- Acquisition of property for public purposes
- 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
- Project Needs Analysis
- Planning and Project Context
- Economic Development Impact
- Project Budget and Budget Justification Narrative
- Maturity and Project Readiness
- Environmental Review

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: Main Street Beautification; Depot Community Center Phase 3 (Community Center Conceptual Design); Depot Community Center Phase 2 (construction of sewer hook up to Depot and design of separate amenity building); Depot Community Center Phase 1 (engineering/design of sewer hook up to Depot); 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. In total, the City of Fernley has received over \$2.2 million in grant funds from the Nevada CDBG program since 2002.

**FINANCIAL IMPLICATIONS:** There are no financial implications during the initial public meeting, staff will collect input and project ideas and return with cost estimates for the second and third public meetings.

**ATTACHMENTS:** None.