

City of Carson City Agenda Report

Date Submitted: April 12, 2011

Agenda Date Requested: April 21, 2011

Time Requested: 30 minutes

To: Mayor and Board of Supervisors

From: Public Works – Planning Division

Subject Title: Action to authorize Carson City to become the lead agency for the Western Nevada HOME Consortium (WNHC). (Lee Plemel)

Summary: The WNHC was established in 1997 to address the affordable housing needs in the Consortium area. The WNHC is formed by Interlocal Agreements between eleven local governments: seven counties- Carson City, Churchill, Douglas, Lyon, Mineral, Pershing and Storey Counties and four incorporated cities- Fallon, Fernley, Lovelock, and Yerington. The WNHC Board is comprised of one elected official representative from each of the eleven local governments. Lyon County is stepping down as the lead agency and official financial agent for the WNHC and have asked Carson City to become the lead agency and execute all agreements and grant awards on behalf of the WNHC.

Type of Action Requested:

Resolution
 Formal Action/Motion

Ordinance
 Other (Specify)

Does This Action Require A Business Impact Statement: (___) Yes (X_) No

Recommended Board Action: I move to authorize Carson City to become the lead agency for the Western Nevada HOME Consortium (WNHC).

Explanation for Recommended Board Action: See attached staff memo.

Applicable Statue, Code, Policy, Rule or Regulation: N/A

Fiscal Impact: Acceptance of fiscal responsibility for WNHC investments and a 10% allocation of HOME funds distributed to the WNHC for administration of programs

Explanation of Impact: .

Funding Source: HOME funds

Alternatives: Do not authorize Carson City to become the lead agency of the WNHC

Supporting Material:

1) Staff memo

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- 1) Staff memo

Prepared By: Janice Brod, Management Assistant V

Reviewed By:



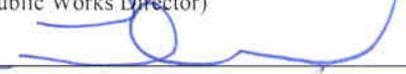
(Planning Division Director)

Date: 4-26-11



(Public Works Director)

Date: 4-26-11



(City Manager)

Date: 4/26/11



(District Attorney's Office)

Date: 4/26/11

Board Action Taken:

Motion: _____

- 1) _____
- 2) _____

Aye/Nay

(Vote Recorded By)



Carson City Planning Division

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MEMORANDUM

Board of Supervisors Meeting of May 5, 2011

FROM: Lee Plemel, Planning Director
Janice Brod, Management Assistant/CDBG Coordinator

DATE: April 25, 2011

SUBJECT: **Carson City's responsibilities as the lead agency of the Western Nevada HOME Consortium (WNHC)**

The WNHC was established in 1997 to address the affordable housing needs in the Consortium area. The WNHC is formed by Interlocal Agreements between eleven local governments: seven counties- Carson City, Churchill, Douglas, Lyon, Mineral, Pershing and Storey Counties and four incorporated cities- Fallon, Fernley, Lovelock, and Yerington.

The WNHC Board is comprised of one elected or appointed official representative from each of the eleven local governments. Lyon County is stepping down as the lead agency and official financial agent for the WNHC and has asked Carson City to become the lead agency and execute all agreements and grant awards on behalf of the WNHC.

The lead agency is responsible for:

- Accounting for the flow of funds
- Audits
- Contracts
- Interlocal agreement for members of WNHC
- HUD reporting and drawdowns
- Downpayment Assistance Program (Carson City can contract with Rural Nevada Development Corp or Nevada Rural Housing Authority to manage)
- Consolidated plans, Annual Actions Plans, monitoring subrecipients (can contract out)
- Paying back money to HUD for failed projects

Benefits of being the lead agency:

- Ensure that the WNHC continues, which means more funding for everyone in the consortium
- Greater influence over the funds
- More funds to do affordable housing projects
- Assistance with Fair Housing requirements
- Approximately \$53,000 in administrative funds (10% of total allocation)

Without the WNHC Carson City would only receive HOME funds from the State and would no longer have access to the \$537,000 that the Federal government will give to the WNHC in 2011.

Currently, Rex Massey is the consultant for Lyon County and does approximately 95% of the work involved, including the Consolidated Plan, Annual Action Plan, and monitoring of subrecipients. The new lead agency can also contract with Rex but would have to do an RPF for professional services. The lead would also have to do another interlocal agreement with all of the consortium members. The City of Fernley has shown an interest in becoming the lead if Carson City chooses not to. The staff time required as the lead agency is approximately 10 hours per week.

Lyon County stated three reasons why they no longer want to be the lead:

- Lyon County is downsizing and reducing their employees by half this year and will not have the staff to do the work.
- They already have a 10 year supply of affordable housing and do not see the benefit of being on the WNHC.
- They do not want the liability that comes with being the lead agency.

The HOME Program:

The HOME program is implemented through State and local governments called participating jurisdictions or "PJs". Participating jurisdictions may be States or units of general local government, including consortia and urban counties. HOME participating jurisdictions have a great deal of flexibility in designing and managing their HOME programs. Carson City's HOME program is managed by Debbie Parra with the Nevada State Housing Division.

HOME grants are awarded each year to participating jurisdictions based on an allocation formula. States are automatically eligible for HOME funds. However, local jurisdictions must meet a minimum allocation threshold in order to be a participating jurisdiction. Localities which do not receive a direct HOME allocation from HUD, may receive HOME funds through the State's HOME program. Consortia will also receive an allocation of HOME funds separate from that given by the State. The consortia distributes these funds amongst their members.